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STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
SPECIAL WASTE AND WASTE PREVENTION AND
MARKET DEVELOPMENT COMMITTEE MEETING

JOE SERNA JR., CAL EPA BUILDING
SIERRA HEARING ROOM
1001 I STREET, SECOND FLOOR
SACRAMENTO, CALIFORNIA

MONDAY, APRIL 8, 2002

2:34 P.M.

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

A P P E A R A N C E S

COMMITTEE MEMBERS PRESENT:

STEVEN R. JONES, CHAIR
LINDA MOULTON-PATTERSON
DAN EATON
DAVID A. ROBERTI

PRESENT:

MARK LEARY, Executive Director
KATHRYN TOBIAS, Chief Legal Counsel
ELLIOT BLOCK, Legal Counsel
DEBORAH MCKEE, Board Assistant
YVONNE VILLA, Board Secretary
JEANNINE BAKULICH, Committee Secretary
LILAH SAMPAIO, Committee Assistant

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

I N D E X

PAGE

Agenda Item 1	1
Motion	7
Agenda Item 2	10
Agenda Item 3	15
Motion	18
Agenda Item 4	19
Motion	20
Agenda Item 5	21
Motion	26
Agenda Item 6	21
Motion	26
Agenda Item 7	28
Motion	37
Agenda Item 8	38
Motion	46
Agenda Item 9	46
Agenda Item 10	47
Motion	57
Agenda Item 11	47
Motion	57
Agenda Item 12	58
Agenda Item 13	90
Motion	111
Agenda Item 14	93
Motion	97
Agenda Item 20	104
Motion	106

I N D E X (Cont.)

PAGE

Agenda Item 21	107
Motion	109/109
Agenda Item 22	109
Motion	111
Agenda Item 15	113
Motion	116
Agenda Item 16	117
Motion	119
Agenda Item 17	120
Motion	121
Agenda Item 18	122
Motion	124
Agenda Item 19	125
Agenda Item 23	129
Certificate of Certified Shorthand Reporter	130

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1 P R O C E E D I N G S

2 --oOo--

3 EXECUTIVE DIRECTOR LEARY: Good morning,
4 members.

5 COMMITTEE MEMBER MOULTON-PATTERSON: Good
6 morning -- good afternoon.

7 EXECUTIVE DIRECTOR LEARY: Good afternoon,
8 there you go. Welcome to the first Special Waste, Waste
9 Prevention and Market Development Committee meeting.

10 My name is, for the purposes of the public
11 record my name is Mark Leary, the Executive Director of
12 the Integrated Waste Management Board.

13 On behalf of the members, the chair, and maybe
14 the committee chair, I'd ask everyone to turn off their
15 cell phones. I did that this morning -- pretty good,
16 huh?

17 I'd like to touch very briefly on the
18 committee procedures and then get started with what
19 appears to be a pretty full agenda.

20 This committee, the Special Waste, Waste
21 Prevention and Market Development Committee is a duly
22 formed standing committee of the Integrated Waste
23 Management Board. This meeting has been publicly
24 noticed and it is open to the public.

25 Public input will be managed in much the same

1 way it is managed at a Board meeting. I'd like to
2 recommend that speaker slips be submitted to the chair
3 and testimony taken after each item.

4 It's obvious the court reporter is present and
5 is recording and will provide a complete transcript of
6 all our committee actions.

7 This committee is, will address informational
8 discussion and consideration items, possibly in a more
9 informal setting than the Board meetings. And I think
10 that kind of proved to be the case this morning in the
11 permitting meeting, it was relatively informal, yet very
12 productive.

13 Each committee will have an opportunity to
14 hear each item, form a recommendation, and vote
15 depending on the nature of the item.

16 We've introduced a kind of a caveat or a
17 statement on each of the committee notices that speaks
18 to the idea that a quorum of the Board is here present
19 at committee. Yet each and every item that is to
20 constitute a Board action will require consideration at
21 a Board meeting by the full Board.

22 That item, and I'd like to read it into the
23 record, says:

24 "In accordance with Public
25 Resources Code Section 40500, all

1 committee actions, even if approved
2 by four members of the committee,
3 are required to be approved and
4 confirmed by the full Board."

5 Just a, I would like to touch on the voting
6 and the possibilities that may result from voting. For
7 those consideration items that you take up today, this
8 is how I'd like to interpret the votes, and correct me
9 if I'm wrong.

10 I'd like to consider a four zero vote by this
11 committee to be a nomination for consent for the full
12 Board meeting.

13 I'd like to interpret a three 0 vote with one
14 member absent as also being an item to be recommended
15 for consent at the full Board meeting.

16 I'd like to interpret a three zero vote with
17 one member abstaining because they have a conflict with
18 that item also to be considered possibly as a consent
19 item.

20 But a three 0 vote where one member abstains
21 for some other reason absent a conflict, we would then
22 proceed, possibly ask the member if they would object to
23 placing that issue on consent, if they would then we
24 would not place it on consent for the full Board
25 meeting.

1 Any other vote of this four, of these four
2 members will bring an item to the Board for
3 consideration.

4 Now that's not to say that you as a committee,
5 even on a four 0 vote, may recommend to me that we go
6 ahead and have the full Board hear an item, it doesn't
7 automatically mean that everything goes on consent, I'm
8 happy to respond to any direction you give me out of
9 this committee.

10 You also may, if you choose not to vote or
11 feel an item needs to be considered further or needs to
12 be brought back before the committee, you may do that
13 also. You may hold items in this committee, even
14 consideration items if you do not feel they're ready for
15 full Board consideration, and then we'll bring those
16 back at a subsequent committee meeting.

17 That concludes my opening comments on kind of
18 the process or the procedures that I'd suggest to the
19 committee.

20 Do you have any questions?

21 COMMITTEE MEMBER EATON: How would you
22 recommend, so if you get a four 0 vote you want to
23 interpret that as just an absolute, an issue for
24 consent; would you recommend that I have to vote no then
25 in order to prevent it from being on consent because I'm

1 waiting for information?

2 I don't want to have to do that, but there's a
3 number of items here, and hopefully they'll get
4 corrected in the past because the packet, this is, you
5 know, the first time out of the box and they weren't
6 delivered or whatever, but the information is needed,
7 how would you recommend that members of the committee
8 vote if there's additional information before they're
9 willing to approve an item in their own opinion? Would
10 you recommend they vote no? To abstain falls a three 0
11 and it's also a candidate for consent.

12 EXECUTIVE DIRECTOR LEARY: If the item is
13 incomplete and you cannot vote on it.

14 COMMITTEE MEMBER EATON: One person, so that
15 would be a four 0 vote, a three 0 vote.

16 MR. LEARY: I would either vote no or simply
17 say I'm choosing not to vote because I wish the full
18 Board to consider this item. I will take that, I will
19 interpret that to mean let's bring it back to the full
20 Board for consideration.

21 So I'm erring on the side of full discussion
22 at the Board. It's only when we have consensus and full
23 buy-in by all four of you that I am recommending
24 consent.

25 COMMITTEE MEMBER EATON: Wouldn't an easier

1 way just be that if we vote and the chair asks if we
2 want to make it consent, and it's part of consent, and
3 therefore a person can either vote it forward, so then
4 it goes forward. But it would not be a candidate for
5 consent, or it can go on consent but it's not from the
6 beginning.

7 EXECUTIVE DIRECTOR LEARY: You could do that.

8 COMMITTEE MEMBER EATON: I'm just asking. It
9 seems to me that's a more reasonable way to do it.

10 EXECUTIVE DIRECTOR LEARY: Well what happened
11 this morning that was kind of interesting was that we
12 had four 0 votes and the chair said, okay, let's place
13 this on the consent.

14 Now if the chair of this committee wants to
15 adopt that practice and then if you were to say no, I'd
16 really like to have more information, let's not place it
17 on consent, then the chair can react accordingly and not
18 put it on consent.

19 COMMITTEE MEMBER EATON: I mean cause certain
20 information can come to our attention, as we well know,
21 in the intervening time between now and the vote, and I
22 don't think that that's something that, you know, I'm
23 ready to do so --

24 EXECUTIVE DIRECTOR LEARY: Just in respect to
25 that occasion, the Board still retains, all Board

1 members retain their rights to pull things off consent
2 if they're proposed for consent, that hasn't changed in
3 any way, shape or form.

4 COMMITTEE MEMBER EATON: Okay.

5 EXECUTIVE DIRECTOR LEARY: Okay. I really
6 hope to make this easy. I mean if we don't have full
7 consensus in the Board to go on consent, I'm not going
8 to put something on consent if the Board isn't ready for
9 it.

10 Okay. The first item on the agenda is kind of
11 what we just covered and the selection of the chair.
12 And I'd ask that maybe we can start that discussion by
13 turning it over to Linda.

14 COMMITTEE MEMBER MOULTON-PATTERSON: Thank
15 you, Mark. I would like to nominate as chair of this
16 committee Steve Jones if he's willing to accept the
17 nomination.

18 As we all know, Mr. Eaton was the most
19 instrumental in getting our tire legislation passed, but
20 Steve played a big role, and I think he would be a great
21 chair for this committee.

22 COMMITTEE MEMBER ROBERTI: Second.

23 COMMITTEE MEMBER MOULTON-PATTERSON: You
24 willing, Steve?

25 COMMITTEE MEMBER JONES: Yeah.

1 EXECUTIVE DIRECTOR LEARY: Would you take
2 roll, please? Roll call, please, which will also serve
3 as roll.

4 BOARD SECRETARY VILLA: Eaton?

5 COMMITTEE MEMBER EATON: Aye.

6 BOARD SECRETARY VILLA: Jones?

7 COMMITTEE MEMBER JONES: Aye.

8 BOARD SECRETARY VILLA: Roberti?

9 COMMITTEE MEMBER ROBERTI: Aye.

10 BOARD SECRETARY VILLA: Moulton-Patterson?

11 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

12 EXECUTIVE DIRECTOR LEARY: Thank you,
13 members.

14 COMMITTEE CHAIR JONES: Thanks, Madam Chair,
15 members. I appreciate it.

16 The followup, just on one issue that Mr. Eaton
17 brought up. We had -- I think we might as well talk
18 about it now, Senator Roberti was in the committee with
19 me on P&E.

20 We had a contract came forward where we didn't
21 have any problem with the scope of work, they followed
22 it, they just hadn't identified who the, the award was
23 going to go to.

24 So the Board had a, we didn't, we didn't
25 approve the motion, but we sent 'em forward with a

1 recommendation that based on, you know, the contractor
2 being identified, that the committee supported it four
3 0. That way if there was an issue of something not
4 being handled right we can deal with it at the
5 committee.

6 So just for a little more reference on some
7 methods.

8 Okay, we're all ready for you.

9 MS. WOHL: Do you want to do ex-partes?

10 COMMITTEE CHAIR JONES: Yes, I do,
11 absolutely. Absolutely. Sorry about that.

12 Mr. Eaton, any ex-partes?

13 COMMITTEE MEMBER EATON: I think I'm up to
14 date.

15 COMMITTEE CHAIR JONES: Chairman Patterson,
16 any ex-partes?

17 COMMITTEE MEMBER MOULTON-PATTERSON: I said
18 hello to Ms. Hunter.

19 COMMITTEE CHAIR JONES: Senator?

20 COMMITTEE MEMBER ROBERTI: I think I'm up to
21 date.

22 COMMITTEE CHAIR JONES: Okay. And I spoke
23 with Yvonne Hunter on conversion technology, and John
24 Cupps on some regs.

25 MS. WOHL: Okay. For the record, I'm Patty

1 Wohl, the Deputy Director for Waste Prevention and
2 Market Development Division. And as you'll see by the
3 agenda, the first item is a Deputy Director's report.

4 For those of you who were at the P&E meeting
5 you know that we're substituting that sort for how the
6 Executive Director's report goes at the full Board.

7 So I have a couple of things I want to,
8 actually four, I'll try and be fairly brief because we
9 have a double committee going on today and limited
10 time.

11 But I definitely wanted to talk about the
12 third annual recycled product trade show.

13 COMMITTEE CHAIR JONES: I'm just pointing to
14 Jeannine that she may have some obligations at the desk.

15 MS. WOHL: Okay, sure, just wanted to make
16 sure I didn't have to exit stage left or something.

17 Anyway, as you know this was our first
18 opportunity to be in Southern California, and it was
19 last Thursday and Friday at the Disneyland Resort in
20 Anaheim.

21 We have some preliminary attendance figures
22 and I'll probably have a more complete report for Mark
23 to do on the Board day. But we're showing that
24 approximately 800 attendees on Thursday, and about 500
25 on Friday. So we were very pleased with the

1 attendance.

2 We had some unique things, we did have a
3 ribbon cutting ceremony, and that went rather quickly
4 thanks to Linda Moulton-Patterson and Mickey, they sped
5 through that. Sped through that very quickly.

6 COMMITTEE MEMBER MOULTON-PATTERSON: Scissor
7 happy.

8 MS. WOHL: Yeah, scissor happy. In addition,
9 we did the exhibitors reception which met with a lot of
10 enthusiasm. Board Member Papanian was there, and we had
11 several speakers of Disney. And I think the exhibitors
12 really enjoyed that reception, so that's probably
13 something we'd like to continue.

14 And then Friday was the second day. Senator
15 Roberti helped us with exhibitor awards and kind of
16 closed the show for us, and so that was great too.

17 So that's basically just some of the
18 highlights. We had about 110 booths, I believe, and so
19 it was a really good turnout, especially for our first
20 attempt in Southern California.

21 COMMITTEE MEMBER ROBERTI: I went the second
22 day because I'd already had my picture with Mickey Mouse
23 a number of times, but the featured celebrity was Jiminy
24 Cricket on the second day and I've never had my picture
25 taken with Jiminy Cricket before.

1 MS. WOHL: And we have a giant blowup of that.
2 Yeah, the characters were quite a hit, I think, so that
3 was great.

4 And then the second big issue I wanted to talk
5 about that the Board members are familiar, probably even
6 more familiar than I with it, and that is the hearing
7 on, with South Coast AQMD on PR 1133 that took place on
8 that Friday.

9 And both Linda Moulton-Patterson and Steve
10 Jones spoke at that hearing and testified and gave
11 information.

12 Basically there were, I think, ten additional
13 speakers beyond the two of you that included industry,
14 local government, and concerned citizens, and covered a
15 myriad of issues including odors, who has authority and
16 control over odors, the emissions reduction, some of the
17 testing related to that, the impacts on the composting
18 industry, health concerns, odor nuisances.

19 I believe there were several recommendations
20 that came out of that, and I'll just kind of briefly go
21 through those, and you can add if you have anything that
22 I missed.

23 That was to conduct a phased-in approach to
24 the PR 1133.

25 To do an additional study period to

1 incorporate the results of the emissions testing.

2 To break the PR 1133 into several rules, kind
3 of separating composting, green material, chipping and
4 grinding, etcetera, so they're not all lumped together.

5 Look at exemptions for the biomass industry,
6 and then report back to their Board in ninety days.

7 So that's kind of a summary of that. We'll
8 probably do a more thorough report on that also.

9 And then just a couple more program areas. I
10 wanted to announce that the WRAP has opened its tenth
11 annual application period beginning April 1st, and that
12 goes through June 30th.

13 If you'll remember last year we had a record
14 setting 2,300 winners, and so we're looking to increase
15 that or solicit even more qualitative information in the
16 areas of E-waste, sustainability and stewardship, and
17 environmental justice.

18 And the apps are available in two formats
19 through the website, and in a printed version. And
20 we're interested in you obviously talking to businesses
21 and getting them to apply.

22 And then lastly, I just wanted to mention as
23 part of the California Heartland sponsorship, there's a
24 component in that that allows us reach out to them and
25 ask for training. And Jim O'Donnell, their creative

1 director, will be giving a series of media training for
2 our staff. So we're excited about that.

3 It will be personalized promotional materials,
4 how to use some of the California Heartland segments,
5 and extend them into some of our other outreach
6 efforts. So we're looking forward to that.

7 So that's kind of it for my quick overview.

8 COMMITTEE CHAIR JONES: Any questions from the
9 committee members?

10 Just real quickly, a thank you to your staff,
11 Judy Friedman, Brenda Smith, Kevin, I think they were
12 the leads basically from your side; and from P&E, Sharon
13 Anderson and Sue Happersberger and Jeff and Alan Glabe,
14 the people put in a lot of work.

15 I know the chairman, the chairwoman and I were
16 getting information like up to the minute on what we're
17 going to do and what we're going to change. So you guys
18 did a good job, and hopefully we'll be able to work on
19 best management practices, because clearly their Board
20 embraced that idea that there are ways to get this done
21 other than just building buildings, at least for the
22 green waste side.

23 MS. WOHL: Well, thank you. Likewise I heard
24 great things about both your testimony, so that was
25 nice.

1 And then also thanks to Jerry Hart and Judy
2 Burns for kind of the main people who did the trade
3 show.

4 COMMITTEE CHAIR JONES: Absolutely. Okay. I
5 guess two on this one.

6 MS. WOHL: Right. My strategy with this is
7 because we have several items, some were really directed
8 to go back to the full Board, so although they're on
9 this agenda, maybe when we get to those my
10 recommendation would be, for example it's agenda item 31
11 in the big agenda and agenda item nine on the budget
12 subcommittee agenda, is the organics threat. That was
13 recommended to go to the full Board. We can either give
14 you some information here, but my thought was just to do
15 the full presentation at the Board meeting rather than
16 be redundant.

17 COMMITTEE CHAIR JONES: That's fine.

18 MS. WOHL: Maybe as we go through them I'll
19 give you some heads up on those.

20 So the first one is the loan servicing, it's
21 agenda item three and it's actually a continued item on
22 your full Board meeting.

23 And Jim La Tanner will present.

24 And if you'll remember, this was heard at El
25 Centro but one of our Board members had a conflict of

1 interest and could not vote, I don't know if that still
2 pertains, but we wanted to at least present it here and
3 see if we could put it on consent.

4 MR. LA TANNER: My name is Jim La Tanner, I'm
5 the manager of the RMDZ loan program of the Market
6 Development.

7 This agenda item presents for consideration,
8 approval of contractor for loan servicing for the loan
9 program. The current contract is with American River
10 Bank, it expires on May 15th, and it has been extended
11 once and cannot be extended again.

12 We, therefore, have gone out through the IFB,
13 invitation for bid process. There were two bidders that
14 submitted their proposals to us. Under this process it
15 is to be awarded to the most qualified and lowest priced
16 bidder.

17 This year, after considering and qualifying
18 both bids, the winning low price qualified is JP Morgan
19 Chase Bank.

20 So this item presents for the Board to
21 consider, or this committee to consider placing on
22 consent, approval of that contractor. It is for a two
23 year period beginning May 16th to serve as the RMDZ loan
24 portfolio.

25 In summary, JP Morgan Chase Bank is located in

1 New York, but will manage the contract through its
2 subsidiary Colson Services Corporation in San
3 Francisco.

4 Chase acquired Colson in February of 2001 to
5 offer a complete range of loan product knowledge and
6 experience as well as a comprehensive delivery network
7 to its clients.

8 Colson has been in business since 1986, and
9 was formed when a large number of savings and loans that
10 were failing that had SBA loans, and the FDIC needed a
11 servicing agent for those loans. And so Colson
12 originated and has been servicing loans ever since that
13 time.

14 We have checked the references of JP Morgan
15 and Colson, and all have checked out fine. Most of
16 their information, they're very computer savvy, all of
17 their reports are basically available on-line or through
18 the Internet. They have real-time access to borrower
19 data and so forth.

20 So with the current contract coming up, we
21 recommend that this committee approve the agenda item
22 and place it on consent for the Board.

23 Are there any questions?

24 COMMITTEE CHAIR JONES: Questions, members?

25 COMMITTEE MEMBER ROBERTI: Mr. Chairman.

1 COMMITTEE CHAIR JONES: Yes, Senator.

2 COMMITTEE MEMBER ROBERTI: In a strong attempt
3 at caution I'm going to recuse myself on this item
4 because of a possible financial conflict of interest
5 which I do not, which counsel said they do not think I
6 have, but I'm on the cusp and I prefer to stay off.

7 COMMITTEE CHAIR JONES: Better safe than
8 sorry.

9 Do any of the other members have any issues
10 with this issue? Somebody make a motion to --

11 COMMITTEE MEMBER EATON: I'll move that we
12 adopt Resolution 2002-124 revised regarding the contract
13 for loan servicing.

14 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

15 COMMITTEE CHAIR JONES: We have a motion by
16 Mr. Eaton, and a second by Linda Moulton-Patterson.

17 And would you call the roll knowing that the
18 Senator is not on the dais right now?

19 COMMITTEE MEMBER ROBERTI: Yes, in fact --

20 (Thereupon Committee Member Roberti left
21 the room.)

22 BOARD SECRETARY VILLA: Eaton?

23 COMMITTEE MEMBER EATON: Aye.

24 BOARD SECRETARY VILLA: Moulton- Patterson?

25 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

1 BOARD SECRETARY VILLA: Jones?

2 COMMITTEE CHAIR JONES: Aye.

3 COMMITTEE CHAIR JONES: Members, put this on
4 the consent calendar? Okay. Go ahead and put this on
5 the consent.

6 MS. WOHL: Okay. The next agenda, agenda item
7 four, consideration of RPPC compliance agreements for
8 compliance years '97, '98, and '99, will be presented by
9 John Nuffer.

10 MR. NUFFER: Thank you, Patty. My name is
11 John Nuffer with the Plastics Recycling Technology
12 section.

13 This is one more in a series of items where we
14 bring forth compliance agreements for your consideration
15 for companies that were out of compliance with the rigid
16 plastic packaging container law in '97, '98, or '99.

17 Hopefully we'll just have one more item,
18 probably in July, to finish up that compliance
19 certification.

20 I should bring to your attention that two of
21 the names of the companies changed after we published
22 the title. The titles were changed to be correct in the
23 agenda item, the resolutions, and the compliance
24 agreement so that everything should be fine. And we've
25 provided a motion to take that into account.

1 I'd be happy to answer any questions.

2 COMMITTEE CHAIR JONES: Any questions from
3 members?

4 COMMITTEE MEMBER EATON: We've got one
5 resolution for each compliance --

6 MR. NUFFER: We have one resolution that takes
7 all four.

8 COMMITTEE MEMBER EATON: It takes all four so
9 we don't have to do four separate?

10 MR. NUFFER: Right. Right.

11 COMMITTEE MEMBER EATON: Okay.

12 COMMITTEE MEMBER MOULTON-PATTERSON: Okay.

13 I'll move approval of Resolution 2002-180.

14 COMMITTEE MEMBER EATON: Second.

15 COMMITTEE CHAIR JONES: We've got a motion by
16 Linda Moulton-Patterson, a second by Mr. Eaton.

17 Would you call the roll?

18 BOARD SECRETARY VILLA: Eaton?

19 COMMITTEE MEMBER EATON: Aye.

20 BOARD SECRETARY VILLA: Moulton- Patterson?

21 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

22 BOARD SECRETARY VILLA: Roberti?

23 COMMITTEE MEMBER ROBERTI: Aye.

24 BOARD SECRETARY VILLA: Jones?

25 COMMITTEE CHAIR JONES: Aye. Okay, the

1 motion is moved. Members, put this on consent?

2 Okay. And Patty, go ahead and put that on
3 consent.

4 MS. WOHL: Okay. Agenda item five and six are
5 joint ones, the scope of award and then the award of the
6 contractor to the State Controller's Office.

7 And Kathy Marsh will present.

8 MS. MARSH: Good afternoon, Board members.
9 I'm with the Buy Recycled section, my name is Kathy
10 Marsh, and I'm here to present both items five and six
11 which are connected.

12 Item five is the scope of work which is
13 connected, item six, the interagency agreement between
14 the Board and the State Controller's Office.

15 Both the scope of work and agreement are for
16 compliance audits to be connected -- or conducted on
17 four recycled content programs that the Board
18 administers. The contract amount is \$100,000 and stems
19 from the Board's approval of fiscal year 2001-2002 Buy
20 Recycled Certification Contract Concept, which was
21 number 16, that the Board approved back in October.

22 These audits would verify information reported
23 on certifications provided by state agencies under the,
24 under the auspices of the state agency buy recycled
25 campaign; by newsprint consumers under the auspices of

1 the recycled content, excuse me, newsprint program; by
2 the plastic trash bag manufacturers and wholesalers
3 under the plastic trash bag program; and by
4 manufacturers of the rigid plastic packaging containers
5 under the rigid plastic packaging containers program.

6 Board staff investigated five different state
7 agencies regarding their availability and qualifications
8 to conduct these audits. Of these five, two were
9 interested and provided a cost proposal to staff.

10 The cost proposal received from the State
11 Controller's Office was much more fiscally acceptable
12 and better organized than that of the other state
13 agency, thus we chose them.

14 The selection of state agencies that will be
15 audited will be coordinated with the Board's DPLA staff
16 that is conducting AB 75 audits.

17 Staff requests the committee to approve option
18 one on both items five and six, and adopt Resolutions
19 2002-173 and 2002-174, and place item four on consent.

20 Thank you.

21 COMMITTEE MEMBER EATON: Mr. Chair, I have a
22 couple of questions.

23 COMMITTEE CHAIR JONES: Go ahead, Mr. Eaton.

24 COMMITTEE MEMBER EATON: Is the first time
25 we've used the Controller for a compliance audit?

1 MS. MARSH: Yes.

2 COMMITTEE MEMBER EATON: And who have we
3 normally used?

4 MS. MARSH: We went out for bid.

5 COMMITTEE MEMBER EATON: To, I mean --

6 MS. MARSH: Private.

7 COMMITTEE MEMBER EATON: To the Department of
8 Finance or was it private?

9 MS. MARSH: Private. Well the last time, the
10 last two audits that we conducted on newsprint and trash
11 bags we did contact other state agencies but they were
12 not available at the time.

13 COMMITTEE MEMBER EATON: Is this something
14 that the Controller's Office does on a regular basis, or
15 would there be a learning curve?

16 MS. MARSH: No, they are familiar with
17 compliance audits and they're confident they can do it.

18 COMMITTEE MEMBER EATON: And when will the
19 audits for the state agency buy recycled campaign begin
20 and when will we have the results? Do we know? I
21 assume that if we approve these contracts they'll go
22 immediately and begin the audit process if they're that
23 hungry, so when can we expect some results as to these
24 audits?

25 MS. MARSH: At this time we have not decided

1 which particular programs and how many particular items
2 that, or companies or state agencies we will be auditing
3 because of the various in-state, out-of-state issues. A
4 lot of P&E, or many companies are out of state.

5 But I'm sure that if we did conduct state
6 agency or the SABRC audits, they will be probably the
7 first ones that we do conduct, and they will probably
8 be -- well, they will be for this last fiscal year.

9 COMMITTEE MEMBER EATON: Mr. Chair, the only
10 reason why I ask and I would ask that if we could, prior
11 to any recommendation for audits going forward, if it
12 could be brought back to this committee.

13 It would be nice because, as all of you know
14 and the fellow Board members, that we've been trying for
15 some time to get some of our fellow agencies to act and
16 buy and procure recycled goods.

17 We've all mentioned the names of some of those
18 agencies which we know are large buyers of goods that
19 have somehow escaped the long arm of green procurement,
20 and I would sure like to have those put in the front of
21 the line to have them audited first, so that we can at
22 least get moving. And if they are out of compliance we
23 may be able to actually put some teeth in the gums that
24 we have now grown.

25 COMMITTEE CHAIR JONES: So would that be a,

1 their plan?

2 COMMITTEE MEMBER EATON: This has nothing to
3 do with the documents, I'm just asking that before, once
4 the document is approved and the contracts are signed,
5 there are obviously going to be a meet and confer with
6 the Controller's Office and set a priority as to what
7 needs to be audited.

8 I'm just saying before they submit a list, we
9 should have that opportunity to go through some of the
10 large procurement.

11 I would sure hate to see that the Department
12 of Social Welfare Services be audited when we have the
13 Department of Corrections, the Department of General
14 Services, the large procurement officers and the large
15 procurement industries that would drive markets.
16 Somehow I find that that not be the case as it relates
17 to some of the smaller agencies, you know, like the
18 Department of the Boating or anything like that.

19 COMMITTEE CHAIR JONES: Sure. I think that's
20 a good point, Mr. Eaton, and I think that after you get
21 the contract and come up with your work plan, see us
22 first so we get an idea where we're going. And I think
23 we can do that in a discussion item at the committee
24 would work, is that, does that meet the needs of all the
25 committee members?

1 Great. Good idea, Mr. Eaton.

2 Can I get, can I get a motion on the
3 resolution for the consideration for the scope of work
4 for the contract item?

5 COMMITTEE MEMBER EATON: I'll do that too,
6 even though I have an aversion to motion these days.

7 I move that we adopt 2002-173 which would be
8 the consideration of the scope of work.

9 COMMITTEE MEMBER ROBERTI: Second.

10 COMMITTEE CHAIR JONES: Can I, any members
11 have a problem with substituting the roll call?

12 We'll substitute the roll call on this item
13 and you can put this on consent.

14 Can I get a motion on the -- well, it was item
15 28, I guess it's item six, the actual contract with the
16 Controller's Office.

17 COMMITTEE MEMBER MOULTON-PATTERSON: I'll move
18 Resolution 2002-174 for adoption.

19 COMMITTEE CHAIR JONES: Thank you, Madam
20 Chair.

21 Second?

22 COMMITTEE MEMBER EATON: Second.

23 COMMITTEE CHAIR JONES: We've got a motion by
24 Chair Moulton-Patterson, a second by Mr. Eaton. It's
25 got money so we need to have a roll.

1 BOARD SECRETARY VILLA: Eaton?

2 COMMITTEE MEMBER EATON: Aye.

3 BOARD SECRETARY VILLA: Moulton- Patterson?

4 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

5 BOARD SECRETARY VILLA: Roberti?

6 COMMITTEE MEMBER ROBERTI: Aye.

7 BOARD SECRETARY VILLA: Jones?

8 COMMITTEE CHAIR JONES: Aye. This is a money
9 item that could go on consent, but maybe I'll flag it in
10 the report to let the other members know that it is a
11 money item.

12 Would that work for the members?

13 COMMITTEE MEMBER EATON: Yeah, I mean that's
14 the whole idea as long as the committee recommend it on
15 a fiscal matter, that there was at least one vote of the
16 body, whether it be a committee or otherwise on a fiscal
17 matter, then the other Board members are free to object
18 or not object but it can go on consent calendar then,
19 we've had at least one vote on the money.

20 COMMITTEE CHAIR JONES: Right.

21 COMMITTEE MEMBER EATON: So you can flag it in
22 whatever way you want.

23 COMMITTEE CHAIR JONES: I'll flag it and I'll
24 talk to you and I'll talk to the members of the
25 committee how we're going to do that if that's okay.

1 Thank you.

2 And I would ask staff that's coming forward,
3 the members have the agenda numbered as the Board
4 meeting, so if you could just reference both numbers,
5 what it is on this committee and then what it was in the
6 full agenda packet, it might make it just a tad bit
7 easier.

8 Thank you so much.

9 MS. WOHL: Okay. So we're on subcommittee
10 item seven, full Board item 29, consideration of
11 contractors.

12 And Kristen McDonald will present.

13 MS. MC DONALD: Good afternoon committee
14 members. I'm Kristen McDonald with the waste management
15 -- waste management and market development division.

16 This agenda item asks for your consideration
17 of staff's funding recommendations for the contractors
18 for green building contracts with local government and
19 state agencies. I think she's handing out the
20 attachment right now.

21 At the December, 2001 Board meeting, the Board
22 approved Resolution 2001-432, consideration of approval
23 of the scope of work to implement the green building
24 contracts. \$500,000 in funding for the contracts was
25 made available through the tire recycling management

1 fund, along with the integrated waste management
2 account, 250,000 from each account.

3 Notification of funding went out to more than
4 2,000 interested parties, including state agencies,
5 local governments, and non-profits. It was also made
6 available on our website as well as numerous lists on
7 the Internet.

8 We received thirteen proposals. One was
9 disqualified because the proposer was an ineligible
10 entity.

11 Twelve were scored. Five proposals met or
12 exceeded the minimum scoring requirement of 70 percent,
13 and staff is recommending all five for funding.

14 I'll be happy to go over those contractors
15 with you at this time if you'd like, or you can just
16 reference the attachment. It's up to you and how much
17 time we have.

18 COMMITTEE CHAIR JONES: Go ahead quickly and
19 go through 'em. We just got these, so if you can just
20 give us a quick thumbnail.

21 MS. MC DONALD: Okay. Sonoma County in the
22 amount of \$74,903.

23 They will be incorporating several sustainable
24 building components, applying for the lead rating system
25 to a new county administration building, paying for

1 materials purchased to implement the design, building
2 design. They'll be publicizing the opening of the lead
3 rated building, and constructing a display exhibit and
4 Web page.

5 The City of Los Angeles in the amount of
6 \$74,940.40.

7 The project will consist of purchasing
8 recycled content products to be used in the design and
9 specifications of three new construction projects.
10 Educational tools will be developed for each project to
11 highlight the benefits of using recycled content
12 products and green building techniques.

13 County of Marin in the amount of \$75,000.

14 The proposal will create a green building
15 program, repair and adopt a construction demolition
16 ordinance, install a rubberized sidewalk demonstration
17 project, and expand the green building program to
18 surrounding cities within the county.

19 Inland Empire's utilities in the amount of
20 \$75,000.

21 The project will incorporate waste tires and
22 recycled content materials into the construction of a
23 sustainable building. The sustainable headquarters
24 building in the city of Chino. They will be using
25 recycled tiles, carpet, and countertops, just a few.

1 They'll be using the waste tires in car stops, picnic
2 benches, and tables as just a few.

3 The City of San Bruno in the amount of
4 \$70,044.60.

5 The project will fund the construction of
6 restroom facilities in two city parks using recycled
7 content waste tires and reused building materials.

8 The funding for the five proposals totals
9 \$369,888.

10 Staff has readvertised the approximately
11 \$130,000 that's remaining for additional RFPs, and
12 intend to bring those successful contractors back in the
13 June, at the June Board meeting.

14 Staff recommends Board approve option one and
15 adopt Resolution 2002-172.

16 COMMITTEE MEMBER EATON: I just have a couple
17 of questions. First and foremost, what is the legal
18 requirement, and this is probably directed more to legal
19 counsel, when we have two funds, one that is tires and
20 one that is a general fund? Does the requirement when
21 you merge those funds, since that's a 50/50 split, and
22 one of the funds is a special fund that is required to
23 go to a particular purpose, does the portion of that
24 fund that's being paid for for a particular purpose have
25 to be, give let's say 10,000 from tires, does that

1 10,000 have to go to tires related activities, or can
2 there be only 5,000 worth of tire related activity?
3 Even though you're giving ten the other five goes to the
4 rest of the project?

5 Because it seems right here, at least at first
6 glance, I don't see anything in Sonoma County
7 specifically which requires tires. And I don't -- and
8 what I'm trying to get at so we don't run into a problem
9 with these funds, since we've had some problems, if a
10 special fund is contributed to make up an entire fund
11 for a program, then what portion of that fund has to be,
12 I mean does it have to be a dollar dollar, I would
13 think? Because if you didn't use it. And if so, do
14 these grants meet that requirement?

15 CHIEF LEGAL COUNSEL TOBIAS: I guess I can
16 answer first -- we didn't have a microphone in the last
17 meeting.

18 Let me answer first in the abstract and then
19 perhaps more specifically to this. In the abstract I
20 would say yes, it needs to be on a dollar per dollar
21 basis.

22 So if, for example, it's 50 percent tires and
23 50 percent from whatever else, then you wouldn't be able
24 to fund any greater part of that project than that part
25 that goes into it. So you'd have to have 50 percent

1 tires being used, and you couldn't basically use 50
2 percent tire money and have no tires being used.

3 So does that answer your question at least
4 generally?

5 COMMITTEE MEMBER EATON: So do we know if this
6 meets that? For instance with Sonoma, I don't see
7 anything that deals with tires. It looks like, you
8 know, I laud them for what they're trying to do, and I
9 obviously encourage it, but how much, what portion of
10 that fund is going to come from the tire fund? And if
11 so, how much will that meet that?

12 And then just as I go through the other
13 questions. What is the restrictions we have with regard
14 to a city and what it can be applied to? For instance,
15 we have a cemetery that's going to get money, I don't
16 know if that's a public cemetery or not.

17 And then, you know, not to be a pun or
18 anything, but we seem to be stuck in not being able to
19 get out of water closets, so to speak. The City of San
20 Bruno, how much of that would be a tire fund since it's
21 all about 70,000?

22 I just don't want to get into a problem. I
23 don't have any problem with the projects, I just want to
24 make sure that the money is being spent so that we get
25 the whole idea of eligible and ineligible expenses as we

1 go further and further down the road.

2 MS. MARSH: Let me first say we absolutely
3 intend to stick with the intent of the money which would
4 split the 250 equally.

5 At this point, because everything is kind of
6 preliminary until we actually award, I'm going to go
7 back and get more specific information on how much is
8 going to be spent for each of these line items.

9 There are a couple of things in Sonoma's that
10 just, the space isn't there for me to put 'em all in
11 there, but they're going to be do rubberized asphalt
12 paving, they're going to do some parking curbs, those
13 are just a couple that they've listed in their project.
14 And so those are some of the materials that I just
15 didn't list out in there.

16 So I can get and will get more information as
17 far as the budget numbers.

18 COMMITTEE MEMBER EATON: You see, my point is
19 here is that you've got two funds that are coming
20 together, and I'm not going to belabor this because
21 we've got a long agenda.

22 But if each of the components, we should know
23 that if the tire portion of each of these four totaled
24 150,000 only, you can't use the other 100,000.

25 MS. MARSH: Right.

1 COMMITTEE MEMBER EATON: So then you're short,
2 you're short money. So rather than go out for a second
3 round, do we have to go back and take money out of what
4 has been unallocated yet to make up for these five
5 projects if these were the five projects that scored the
6 highest? That's all I'm trying to get to.

7 So before we go out for a second round, we may
8 not have enough money to meet the first round based upon
9 the requirements of the money, and I think we ought to
10 know that.

11 MS. MARSH: Right.

12 COMMITTEE MEMBER EATON: Okay. It's not any
13 disagreement it's really just technical.

14 MS. MARSH: Yeah.

15 COMMITTEE MEMBER EATON: Because my guess is
16 just by looking at first glance there ain't \$250,000
17 worth of tire work here.

18 MS. MARSH: Probably not.

19 COMMITTEE MEMBER EATON: And there's probably,
20 and so the question then becomes is, you know, we've got
21 to make up that deficit or we've got to reduce the grant
22 to each of them. So if we can do that at the Board
23 meeting that will be fine.

24 MS. WOHL: So why don't we do that? We'll get
25 the specifics of the dollar amounts and make sure that

1 when you get the totals they're each split up, and then
2 bring it forward to the Board, the full Board.

3 COMMITTEE MEMBER EATON: Right, because you
4 may want to take money out of what's been unallocated to
5 make up because you feel the projects are, you know, of
6 great merit.

7 MS. WOHL: Right. And on the cemetery issue,
8 it is a private cemetery but we are doublechecking that
9 the sidewalk's not a public sidewalk that they're
10 fixing, it's out front.

11 COMMITTEE MEMBER EATON: I guess my point is,
12 I think restrooms get a lot more traffic and I
13 understand that coming out of the closet so to speak,
14 the water closet that is, and being able to view them
15 for PR purposes.

16 The cemetery, however, I don't think we could
17 put signage there, and I would be very, you know, like
18 apprehensive about doing so.

19 But I mean, I want to get some visibility on
20 these projects and the money, so as we go through 'em
21 how we get, you know, and as I mentioned to you before,
22 I think now the word is out on the street that we have
23 now become an agency for doing operations and
24 maintenance for local government through these types of
25 funds, and that while, and they just paid lip service to

1 the concept of sustainability and green building, energy
2 efficiency, etcetera as a way to make up.

3 And that's why I want to kind of be a little
4 more careful on some of this. And as we start seeing
5 cemeteries and washrooms and what have you, it's very
6 difficult for the general public to get in.

7 And that's all, Mr. Jones.

8 COMMITTEE CHAIR JONES: Okay. Mr. Eaton, so
9 you'll be able to, you understood that direction? Any
10 other members? Then --

11 MS. WOHL: So we'll just leave it on the full
12 Board and not put it on consent.

13 COMMITTEE MEMBER EATON: We can move it along
14 with a recommendation to pass, but pending information,
15 I mean I thought that's the way we heard it.

16 COMMITTEE CHAIR JONES: So that was the
17 motion, Mr. Eaton?

18 COMMITTEE MEMBER EATON: Yeah, I thought
19 that's what Mr. Leary said we could do.

20 COMMITTEE CHAIR JONES: Right.

21 COMMITTEE MEMBER EATON: So we could approve
22 it in concept pending, you know, further information,
23 but we reserve the right to look at it. You know, these
24 are good projects, they seem to be, I don't have any
25 problem, I just wanted to make sure we have our T's

1 crossed and our I's dotted, and if not we have to go to
2 the other fund.

3 COMMITTEE MEMBER MOULTON-PATTERSON: I'll
4 second that motion.

5 COMMITTEE CHAIR JONES: Thank you. We have a
6 motion by Mr. Eaton and a second by Chair Patterson.

7 Would you call the roll?

8 COMMITTEE SECRETARY VILLA: Eaton?

9 COMMITTEE MEMBER EATON: Aye.

10 COMMITTEE SECRETARY VILLA: Moulton-
11 Patterson?

12 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

13 COMMITTEE SECRETARY VILLA: Roberti?

14 COMMITTEE MEMBER ROBERTI: Aye.

15 COMMITTEE SECRETARY VILLA: Jones?

16 COMMITTEE CHAIR JONES: Aye. Thank you.

17 Next item.

18 That's going to come to the Board with the
19 explanation, right?

20 MS. WOHL: Yes.

21 COMMITTEE CHAIR JONES: Okay.

22 MS. WOHL: Okay. Agenda item eight is
23 consideration of the work plan to address issues
24 concerning the herbicide Clopyralid and its impact on
25 composting.

1 You'll remember that at the last Board meeting
2 we had a discussion, and we recommended that we bring a
3 work plan forward. And so even though it was
4 recommended to come back to the full Board, I think it
5 could be probably done at the committee level since it's
6 just a work plan.

7 And Brian Larimore will present.

8 MR. LARIMORE: This is a subcommittee item
9 number eight and Board item number 30. Good afternoon,
10 Madam Chair and committee members.

11 MS. WOHL: It's Mr. Chair now.

12 MR. LARIMORE: Oh, excuse me, Mr. Chair.

13 COMMITTEE CHAIR JONES: I've been called
14 worse.

15 MR. LARIMORE: I usually speak at the Board
16 meeting. At its March 6th Board briefing the Board
17 directed staff to coordinate with the Department of
18 Pesticide Regulation to develop a work plan to address
19 the Clopyralid issue and return to the Board in April
20 with a proposed work plan.

21 Since then, DPR has initiated cancellation of
22 15 of the seventeen Clopyralid products registered in
23 California, the ones most involved in lawn care.

24 Even with this action, which will take some
25 time to complete, there are many other issues to work

1 on. Thus, developing and implementing a work plan with
2 DPR still is necessary.

3 An initial work plan has been developed that
4 sets forth several objectives:

5 To clarify current understanding of technical
6 issues;

7 To identify needs and implement data
8 collection for the DPR processes;

9 Identify needs and implement educational
10 programs, if necessary.

11 Also, the work plan proposes the formation of
12 an external working group comprised of herbicide
13 manufacturers, composting organizations, environmental
14 organizations, applicators and end users, researchers,
15 and local state and federal government agencies.

16 Attachment one of the item contains a more
17 complete listing of the working group members.

18 The first working group meeting is scheduled
19 for May 3rd in the Sierra hearing room. The work plan
20 also contains provisions for subsequent meetings on a
21 monthly basis and proposing subsequent actions.

22 Staff anticipates the initial work plan
23 including this -- okay -- could be revised extensively
24 when the working group meets this May.

25 The options for the committee are; one,

1 recommend that the Board approve the work plan to
2 address the herbicide Clopyralid and its impact on
3 composting in California as it is.

4 Two, recommend that the Board approve the work
5 plan to address the herbicide Clopyralid and its impact
6 on composting in California with specified
7 modifications.

8 Three, recommend that the Board direct staff
9 to conduct more discussions with DPR about the work plan
10 and return to the Board at a later meeting.

11 Four, take no action at this time.

12 Staff recommends that the committee approve
13 option one and adopt resolution number 2002-176.

14 This concludes my presentation. I'd be happy
15 to answer any questions at this time.

16 And Tobi Jones of DPR is also available to
17 answer any questions.

18 COMMITTEE CHAIR JONES: Questions, members, of
19 either Brian or Tobi Jones? We do have a speaker.

20 And I was remiss. Anybody that's got a cell
21 phone, turn 'em off during this meeting. Thank you.

22 And if you want to speak, there are speaker
23 slips in the back, we'd love to hear what you have to
24 say. I apologize for that, I'm new at all this stuff.

25 We do have one speaker, Evan Edgar from CRRC

1 and Quality Compost Council.

2 MR. EDGAR: Mr. Chair and Board members, my
3 name is Evan Edgar, Edgar Associates on behalf of the
4 California Refuse Removal Council and the California
5 Compost Council.

6 We're impressed with your leadership on the
7 multi-media cross agency leadership that has occurred so
8 far and look forward to it in the next coming months.

9 Since the last workshop, three things have
10 occurred.

11 Number one, we had additional testing. Out of
12 the 29 facilities that had blind testing, we have now 19
13 that have been contaminated with Clopyralid from two to
14 15 parts per billion.

15 Number two, the California Compost Coalition
16 sponsored AB 2356 Keely. We are set for hearing on
17 April 5th in the Assembly Natural Resources which has
18 been double referred to the environmental safety and
19 toxic material committee, and we will have language out
20 this week.

21 We are pressing ahead with this bill because
22 we feel we still need to send a message to DPR that we
23 are very serious about it and we're not sure what the
24 final results are going to be yet.

25 We are very unfamiliar with the cancellation

1 process and appeals process that Dow may have. So the
2 press release, the third thing on DPR, we're very happy
3 that DPR issued that on March 27th. It's reassuring
4 that they're going to limit some aspects of residential
5 and open up ag, which is okay to give ag an exempt, but
6 what's missing is commercial applications in the
7 middle. We're a little concerned about what will happen
8 to the commercial landscape applicators.

9 The coalition will be present for the bill,
10 and we're not familiar with how this appeal process will
11 occur. And we don't want to follow the same path of
12 methyl bromide or MTBE with delays or inaction. So we
13 will be joining the working committee with good
14 information and to do additional testing.

15 I'm very happy to see this solution coming
16 from the Waste Board and Cal EPA. Cal EPA is working in
17 this building, and we want to work with Cal EPA on this
18 very issue.

19 So for the one month vacation to the work plan
20 that we were to support option two with a little bit
21 more information about what is a product cancellation.
22 And as we work with DPR hopefully we'll get some more
23 information on some case studies in the past and what
24 they see goes on in the future, and any commitments by
25 Dow if they're going to be appealing or not.

1 Thank you for your leadership.

2 COMMITTEE CHAIR JONES: Any questions? I
3 think that -- no, that's fine, Evan, thank you.

4 I think that if Dr. Jones is here, it does
5 raise the issue of what is a cancellation process and
6 maybe we can get a, just get a real quick thumbnail.
7 Because it doesn't mean that the stuff is getting pulled
8 off the shelves, it means something real different. And
9 we do appreciate DPR acting so quickly. And with
10 Director Heleker and yourself taking the lead it has
11 been, it's been really inspirational that you guys acted
12 so quickly, believe me. The Chairwoman and I had to
13 deal with another issue that's attacking compost, so we
14 appreciate it.

15 Go ahead.

16 MS. JONES: I think it's, the best I can
17 describe the cancellation process, it's a legal process
18 by which DPR can eliminate the registration of certain
19 products, but there is a negotiation with the
20 registrant.

21 The focus of our accusation to the registrants
22 of the 15 products was to eliminate the use of
23 Clopyralid products on residential lawns which we
24 believe, and I think in working with the Waste Board
25 believe that is the primary source of Clopyralid

1 contamination. At this point we are beginning to work
2 with the registrants on the details of that
3 negotiation.

4 But our goal is to get those uses off the
5 label. And member Jones, you are correct that it does
6 not remove products from shelves. Part of our effort in
7 forming the work group is to deal with all user groups
8 who may use that product commercially and establish
9 communication so that green waste from treated golf
10 courses, cemeteries, parks, and so forth do not end up
11 in green waste.

12 COMMITTEE CHAIR JONES: Does anybody have any
13 question? Dr. Jones, just one quick one.

14 Like this building, if this building were
15 surrounded by lawn instead of concrete, and there was a
16 commercial applicator, it wouldn't fall under that
17 residential usage, would it?

18 MS. JONES: That is correct.

19 COMMITTEE CHAIR JONES: And so that's still a
20 piece that we've got to deal with, and we have all full
21 faith that you will be able to work that out, because
22 that is getting into the composting.

23 MS. JONES: We have every intent to make it
24 work.

25 COMMITTEE CHAIR JONES: Thank you very much,

1 we really do appreciate it.

2 Do I have a motion on Resolution 2002 --

3 COMMITTEE MEMBER MOULTON-PATTERSON: I'll move
4 Resolution 2002-176 for adoption, please.

5 COMMITTEE CHAIR JONES: Is there a second?

6 COMMITTEE MEMBER EATON: I'll second.

7 COMMITTEE CHAIR JONES: Thank you. We've got
8 a motion by Chair Linda Moulton-Patterson, and a second
9 by Mr. Eaton.

10 Can we substitute the past roll? Any
11 objections?

12 Okay. Substitute the roll, put this on
13 consent. Thank you.

14 Next item.

15 MS. WOHL: So agenda item nine on the
16 subcommittee and 31 on the full Board is the discussion
17 of threats to organic materials, and this is the one
18 that Senator Roberti asked be held at the full Board, so
19 my recommendation would be just to hold off and we'll
20 have the discussion item at the full Board if that's
21 agreeable with everyone?

22 COMMITTEE CHAIR JONES: Yep, that would be
23 fine, thank you.

24 MS. WOHL: Okay. Then we're onto --

25 COMMITTEE CHAIR JONES: Is there anybody in

1 the audience that came here on this item that wanted to
2 speak to it though?

3 Okay. Are you going to be at the Board
4 meeting.

5 MR. EDGAR: Yes.

6 COMMITTEE CHAIR JONES: You want to take your
7 shot now and take it again or what?

8 MR. EDGAR: Wait till the Board meeting.

9 COMMITTEE CHAIR JONES: There you go, Mr.
10 Eaton. I just thought somebody may have come from some
11 distance.

12 COMMITTEE MEMBER EATON: Thank you.

13 COMMITTEE CHAIR JONES: So that item will be
14 put over to the Board meeting.

15 Next item.

16 MS. WOHL: Okay. Agenda item 10 and 11 which
17 is 32 and 33 are also tied, they're the consideration of
18 the scope of work for conversion technology evaluation,
19 and then the award of the contract to UC Davis.

20 And Fernando Berton, who is injured
21 apparently, will be presenting.

22 MR. BERTON: Good afternoon, Chairman Jones
23 and committee members.

24 As Patty said, this item, you know, pertains
25 to the approval of a scope of work for research and

1 evaluation of conversion technologies and also the
2 consideration of approval of UC Davis as a contractor to
3 conduct the research.

4 To begin with the scope of work. I'll be very
5 brief and just say that the key tasks in the scope of
6 work would include literature research to identify
7 companies offering conversion technologies that can
8 potentially use post recycled solid waste.

9 We've done some research ourselves, but
10 there's a lot more out there that we just don't know
11 of.

12 Also to develop criteria for use in evaluating
13 these conversion technologies. We have no idea how, how
14 to say whether one is good or one is bad. So scope of
15 work would develop that criteria that eventually staff
16 could use in-house.

17 Also one of the key tasks would be to conduct
18 an initial evaluation of conversion technologies.
19 Essentially looking at what some of the environmental
20 factors are for these technologies like air emissions,
21 water, solid waste residue emissions, things of that
22 nature as well as energy balance type activities.

23 And finally, to provide a final report for,
24 for us.

25 As I mentioned, UC Davis would be the

1 contractor under an interagency agreement. They have
2 extensive experience in conducting this sort of research
3 and continue to conduct research right now on these
4 technologies. So we think it's a very good fit. And as
5 well as the fact that UC Davis is working with the
6 California Energy Commission on similar projects, so we
7 see a lot of synergy there meshing with them.

8 So with that, we would recommend the approval
9 of the scope of the work and UC Davis as the contractor
10 and adopt Resolutions 2002-178 and 2002-179.

11 If you have any questions I'd be happy to
12 answer them.

13 COMMITTEE CHAIR JONES: Questions, Mr. Eaton?

14 COMMITTEE MEMBER EATON: I have a, just one is
15 a comment, one is a question.

16 This, at least by my count this year, gives us
17 one, two, three, four, five, six, and I know of at least
18 one or two other contracts with UC Davis. And when we
19 began the process of, remember we had a concern about
20 contracting with UC Davis and their overhead and some of
21 the charges.

22 Do you know what the charges are? And are
23 they the same and usual charges that were charged in the
24 previous contract which was the subject of some
25 problems?

1 MR. BERTON: In a word, no, I don't know what
2 their overhead charges are. What I did was in talking
3 to the professor who would be doing the research I said
4 these are the, these are the tasks, this is how much we
5 have to do it with, can you do it within that amount?
6 And he said yes. I didn't get a breakdown as to what
7 their actual overhead was, but certainly that could be
8 found out prior to the Board meeting.

9 COMMITTEE MEMBER EATON: Well I mean are we
10 paying tuition like in the other contract? I think
11 that's something we'd like to know, or I'd like to know,
12 I don't know about the other Board members, at least
13 with regard to this, you know.

14 I think we ought to have a little more, before
15 we approve too many more contracts we should know what
16 we're paying for and what the delivery of the product
17 happens to be.

18 And in regard to this particular scope, will
19 this help us, you know, come up with definitions of
20 conversion technology and so on and so forth too
21 ultimately?

22 MR. BERTON: Ultimately, yes. We have a
23 pretty good idea of what the definition would be, this
24 would help maybe define, identify a larger universe of
25 conversion technologies. There may be some technologies

1 that we don't know about.

2 COMMITTEE MEMBER EATON: Because Board
3 members, my problem with conversion technology right now
4 and adopting a resolution or a definition is we have a
5 bill that's moving through the legislature, and I don't
6 want to get into a situation wherein we adopt one
7 definition and then somehow through the legislative
8 process they adopt another definition, and we have a set
9 of regulations that the Board staff, which is, as I
10 understand the time is very valuable and that the
11 workload is great.

12 So I would say that, caution you on each and
13 every one these conversion technology matters that we
14 don't approve too much because it may be all for naught,
15 especially as these bills move through the legislature
16 which I understand have a degree of success. And the
17 definition that they adopt and what they do, and we go
18 ahead and start adopting regulations based upon this and
19 approve credit may not be the case.

20 And I think as we mentioned before, it may be
21 very, very premature to get down a definition. We have
22 one conference and next thing you know, boom, we've got
23 a definition and we're giving credit out to cities and
24 counties, and I'm not even sure if the cities and
25 counties are in agreement as to what that definition

1 should be or what credit should be given and so on and
2 so forth as well as the industries that are affected by
3 it.

4 And so at least from my standpoint I'm going
5 to hold off on it until I have more information,
6 especially with this scope.

7 COMMITTEE CHAIR JONES: Any other members?

8 I think that, two things, one is, this is
9 where -- this is the kind of scope of work where we
10 should be able to make sure an MTBE doesn't happen
11 again. Do the other boards and departments have people
12 assigned to this conversion technology issues? I mean,
13 is there somebody from the Water Board, somebody from
14 the Air Board, somebody from Pesticide who are at least
15 involved in some level on some of these new conversion
16 technologies?

17 Because, you know, I think this is important
18 as far as evaluating what's out there because when we
19 were in Santa Barbara for the soliloquy, whatever it
20 was -- not a soliloquy, what the heck was it called?

21 MR. BERTON: Colloquy.

22 COMMITTEE CHAIR JONES: What it ever --
23 soliloquy is one, colloquy -- yeah, whatever.

24 There was very different views from the
25 national renewable as far as some of these, from the lab

1 as far as what some of these other proposals were.
2 That's what I thought this was going to help us sort of
3 shake out is to not make choices, but at least
4 understand what the processes are.

5 There's 22 different, 22 or 23 different
6 processes, and some use acid, some don't. Some use
7 bugs, some use this, some use that. Is this going to
8 give us a better idea of what those possible available
9 technologies are and where they are in the stage of
10 development?

11 MR. BERTON: Yes. Actually on task three the
12 actual evaluation what we do is the contractor would
13 evaluate the technological status as specific technology
14 along with the associated financial and permitting size
15 and scalability factors.

16 The contractor shall also identify, to the
17 extent feasible, quantify the emissions, air, water, and
18 solid residue, energy use, and cross-media implications
19 resulting from the use of conversion technologies that
20 use post recycled and/or post consumer solid waste as a
21 feedstock.

22 So that particular task would do exactly what
23 you just talked about.

24 COMMITTEE CHAIR JONES: And so it would be
25 something like this that would end up being the

1 information we need if we were ever going to go down the
2 road of regulation? I mean as far as trying to really
3 determine and define what some of those things are?

4 MR. BERTON: Yes.

5 COMMITTEE CHAIR JONES: The other question is,
6 at the recycled trade show we had some anaerobic
7 digestion that is conversion technology that was part of
8 the trade show where they were making a liquid
9 fertilizer that they're using out of Gonzales down at
10 the Salinas Valley and stuff.

11 Would those kinds of technologies, they would
12 obviously be included in this, that would tell us what
13 their feedstocks are, the fact that they make
14 fertilizers? I mean they make a regular compost, but
15 they make a liquid compost, but that's conversion
16 technology, they do it through anaerobic digestion,
17 right?

18 MR. BERTON: Yeah. If it's been identified we
19 would, you know, look at it to the extent that the funds
20 allow.

21 COMMITTEE CHAIR JONES: Right.

22 MR. BERTON: With the \$40,000, there's only so
23 much you can do.

24 COMMITTEE CHAIR JONES: Right.

25 MR. BERTON: But at this point we don't know

1 what that universe is and that, the other task would be
2 to do, to do that.

3 COMMITTEE CHAIR JONES: Who's the professor at
4 Davis?

5 MR. BERTON: Dr. Brian Jenkins.

6 COMMITTEE CHAIR JONES: Okay. One of the
7 things Mr. Eaton was saying, I think we had a contract
8 that they went 40 percent for admin -- wasn't it 40? I
9 mean it was some huge number that staff had to go back
10 and negotiate that.

11 So he brings up a good point to make sure that
12 we're not getting killed on secretarial and, you know,
13 putting the reports together.

14 What's the pleasure of the Board, of the
15 committee? I think we ought to at least start putting
16 this stuff together.

17 COMMITTEE MEMBER EATON: I don't think my
18 points were, I don't think I have a problem with moving
19 forward with technology, but as all know, you don't know
20 what it's going to include, and we are going to have
21 three items after this to adopt a definition, but yet
22 we're still getting the research.

23 At some point I think we need to get the
24 research and all that's included in order to get a
25 proper definition, at least that's how I work.

1 COMMITTEE MEMBER EATON: On item 34 you're
2 talking about?

3 COMMITTEE MEMBER EATON: On item 34. With
4 relation to the contractor here, I think we can go ahead
5 and seek information, because we don't even know what's
6 going to be involved yet with this until we go to the
7 Board meeting.

8 The idea is not to stop the process, but to
9 make sure that we're cost effective and that, you know,
10 get the biggest bang for our buck, especially since this
11 is a very emerging area and there's, you know, you're
12 going to lead down a lot of different paths here.

13 So whatever dollar we can save, you know, is
14 important; yet, you know, it should go for the work
15 that's going to be done.

16 COMMITTEE CHAIR JONES: Works for me.

17 COMMITTEE MEMBER EATON: That's all I'm
18 saying.

19 COMMITTEE CHAIR JONES: Beautiful.

20 COMMITTEE MEMBER MOULTON-PATTERSON: Okay.
21 I'll go ahead and move Resolution 2002-178,
22 consideration of the scope of work for conversion
23 technology evaluation.

24 COMMITTEE CHAIR JONES: I'll second it. Madam
25 Chair, can we make sure that we, just on this item that

1 we ask what the admin costs are and make sure that we
2 get that taken care of?

3 COMMITTEE MEMBER MOULTON-PATTERSON: Yes.

4 MR. BERTON: That would be for the second one.

5 COMMITTEE CHAIR JONES: Oh, that would be on
6 the second one? Okay.

7 MR. BERTON: Yeah, eleven.

8 COMMITTEE CHAIR JONES: All right. Would you
9 call the roll?

10 COMMITTEE SECRETARY BAKULICH: Eaton?

11 COMMITTEE MEMBER EATON: Aye.

12 COMMITTEE SECRETARY BAKULICH: Moulton-
13 Patterson?

14 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

15 COMMITTEE SECRETARY BAKULICH: Roberti?

16 COMMITTEE MEMBER ROBERTI: Aye.

17 COMMITTEE SECRETARY BAKULICH: Jones?

18 COMMITTEE CHAIR JONES: Aye. Thank you.

19 Okay. The next item is for the contract.

20 COMMITTEE MEMBER MOULTON-PATTERSON: I'd like
21 to go ahead and move Resolution 2002-179 for the
22 contractor UC Davis with having the admin costs added
23 in, is that correct?

24 COMMITTEE CHAIR JONES: Thank you, Madam
25 Chair. Do we have a second?

1 I'll second it. I -- go ahead.

2 COMMITTEE CHAIR JONES: Okay. Go ahead and
3 call the roll.

4 COMMITTEE SECRETARY BAKULICH: Eaton?

5 COMMITTEE CHAIR JONES: He'll waive.

6 COMMITTEE SECRETARY BAKULICH: Moulton-
7 Patterson?

8 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

9 COMMITTEE SECRETARY BAKULICH: Roberti?

10 COMMITTEE MEMBER ROBERTI: Aye.

11 COMMITTEE SECRETARY BAKULICH: Jones?

12 COMMITTEE CHAIR JONES: Aye. Okay, this is
13 going to come to the full Board but with the
14 recommendation of three and one abstention for more
15 discussion.

16 MS. WOHL: And then that's the segueway into
17 agenda item twelve which is the consideration of
18 diversion credit for materials sent to conversion
19 facilities and a definition for conversion. And this is
20 agenda item 34 in your full packet.

21 And Howard Levenson will present.

22 MR. LEVENSON: Good afternoon, Mr. Chair and
23 Board members.

24 What I'd like to do today since I know that
25 there's going to be a number of people who wish to

1 testify on this at the Board meeting is to give you an
2 overview of what's happened up to this point, and run
3 through the options that are in the item, and our
4 recommendations.

5 And I would start by acknowledging Mr. Eaton's
6 concerns about definition and the timing of things.
7 Carol can speak to that a little bit more, but we are,
8 our intent in this item is to have the Board adopt some,
9 what we would call policy recommendations, but with
10 enough flexibility in the resolution to allow us as
11 we're working with the author of the bill, that is
12 administration sponsored bill, to go ahead and
13 incorporate changes as needed. And that's something we
14 can come back to the Board and report as that moves
15 along.

16 But the idea here is to try and capture a
17 basic definition that would provide for flexibility in
18 how we handle conversion technologies, delineate some
19 findings that the Board would have to make in order for
20 local jurisdictions to send materials to conversion
21 facilities to attain diversion credit, and to propose a
22 specific level on diversion credit.

23 I think, you know, in general we have used the
24 term conversion technologies to mean non-combustion,
25 non-burned processing by thermal or biological or

1 chemical means other than composting; and that we would
2 take post recycled materials and convert those materials
3 into products such as electricity, alternative fuels
4 such as ethanol and other products.

5 Currently the terms conversion technology or
6 conversion are not defined in statute. Instead, many of
7 the kinds of technologies that fall under this umbrella
8 term are included in the term "transformation" along
9 with incineration.

10 Statute limits the diversion credit that
11 jurisdictions can gain for materials that are sent to a
12 transformation facility to a maximum of ten percent, and
13 then only if the facility was permitted and operational
14 prior to 1995. So in essence, no new transformation
15 facility can gain diversion credit.

16 Now, this has, this issue has been debated for
17 years, it's been highly polarized with no real
18 resolution to it.

19 So in this item, based on some of the work
20 that we've done over the last year, and some series of
21 activities in the early part of this year, we are coming
22 to you with recommendations for a general term for
23 conversion, conditions under which jurisdictions can
24 attain credit, and the amount.

25 Early this year in January we conducted a

1 regulation of conversion technologies workshop, and we
2 brought the results of that workshop to the February
3 Board meeting.

4 And at that meeting we, as staff, attempted to
5 provide a middle ground in this debate and, by doing the
6 following:

7 We recommended that the Board seek or support
8 statutory changes for a new definition.

9 And that the Board support statutory changes
10 for up to ten percent credit, if the Board determined
11 that the facility met certain conditions, including
12 complementing the existing recycling infrastructure and
13 handling post recycled material.

14 In that February proposal we have linked those
15 findings to the permitting process for the conversion
16 facility.

17 At the February meeting there was general
18 support from stakeholders for the idea of having a new
19 definition in statute for conversion.

20 There was general support for the idea of the
21 Board making findings, but not to having the findings
22 being done as part of the facility permitting process.

23 And there was no consensus on the actual level
24 of diversion credit. Most of the local government
25 representatives maintain their support for wanting full

1 diversion credit for materials sent to a facility. So
2 if all their material was sent to a conversion facility,
3 they get full credit for that.

4 CAW had, Californians Against Waste, CAW had
5 reservations about allowing any credit under 50 percent,
6 but did indicate at the February meeting that it could
7 support the staff proposal for ten percent, along with
8 some kinds of findings by the Board.

9 So the Board directed us to convene a small
10 working group to discuss these issues and return to you
11 this month. So that's where we are.

12 The March 8th working group we had a working
13 group of ten members. It did attain a consensus on
14 definition. It attained a consensus on four findings
15 that the Board would have to make for local
16 jurisdictions to attain credit. And, as well, consensus
17 on the need for the Board to report on progress in this
18 area to the legislature.

19 There was no consensus on the level of
20 diversion credit. The majority of the working group, as
21 well as the majority of attendees at the January
22 workshop, still favored having full credit available
23 for, for materials that are sent to conversion
24 facilities. A minority favored ten percent.

25 And during the course of that day, to bridge

1 that gap the local government representatives met and
2 proposed a 25 percent solution. They proposed that
3 jurisdictions that meet the findings that they had
4 already agreed on that day that the Board would have to
5 make, be eligible for 25 percent diversion credit with a
6 provision that the Board could adjust this up or down.

7 Now at the meeting they also made clear that
8 they still needed, the local government representatives
9 needed approval from their own governing bodies in order
10 to forward that 25 percent proposal because they had
11 already stated, had formal policies about wanting full
12 credit.

13 So that's the context for what is before you
14 in item 34, 12, I guess, on today's agenda. We've
15 provided you with a menu of options, and I'd like to run
16 through those and explain what they are. There's a
17 series of kind of five categories and some of the
18 categories have choices.

19 The first category is status quo, just change
20 nothing.

21 The second category concerns some choices
22 about the definition.

23 The third category concerns the findings that
24 the Board would have to make in order for a jurisdiction
25 to gain credit.

1 The fourth category concerns the report to the
2 legislature.

3 And the fifth category concerns choices on the
4 level of diversion credit.

5 Obviously if the Board chooses option one,
6 status quo, then everything else falls off the table.
7 But beyond that, the Board can choose from a menu of
8 these options, or a combination of options from this
9 menu.

10 So in option two we've provided you with three
11 specific definitions. The working group definition is
12 option 2A, and that reads as follows:

13 "Conversion means the
14 processing through non-combustion
15 thermal means, chemical means, or
16 biological means other than
17 composting of residual solid waste
18 from which recyclable materials have
19 been substantially diverted and/or
20 removed to produce electricity,
21 alternative fuels, chemicals, or
22 other products that meet quality
23 standards for use in the
24 marketplace."

25 I would say that's a pretty general

1 definition, and certainly can encompass any of the
2 information that we end up getting out of the UC Davis
3 report. That's where we're trying to identify specific
4 vendors and kind of subprocesses.

5 The 2B, option 2B is the same exact wording
6 with an additional phrase at the end to address an issue
7 raised by Californians Against Waste about minimizing
8 residuals after processing.

9 So CAW was concerned that these facilities
10 take in a large amount of feedstock, process a little
11 bit of it into a product, and then the bulk of the
12 feedstock goes back into a landfill; in essence, kind of
13 a transfer station.

14 So option 2B would be the same wording with a
15 phrase at the end, "With a minimum amount of residuals
16 remaining after processing."

17 Option 2C is kind of in between those two.
18 Take the work group definition and adopt that as a
19 working Board definition, and direct staff to clarify
20 this issue about minimizing residuals in any subsequent
21 rulemakings that we undertake.

22 And I also appreciate the admonition that we
23 not undertake a formal rulemaking when we don't know
24 what the legislation is going to be like, and anything
25 we do for now is just of the informal idea gathering

1 stage on any of these issues until the legislation is
2 enacted.

3 We are recommending option 2B which differs
4 slightly from the working group, just to indicate the
5 intent that the facilities not end up being de facto
6 transfer stations.

7 Option three is regarding the findings. The
8 working group basically proposed, there were four
9 consensus findings that the Board would be asked to make
10 at the time a jurisdiction submits its annual report or
11 modified annual report, either as part of its SRRE,
12 source reduction and recycling element, or as part of
13 its modified annual report.

14 The Board would have to find that the
15 jurisdiction is implementing the recycling and diversion
16 programs in its SRRE or its modified report; that the
17 facility complements the existing recycling diversion
18 infrastructure; that the facility maintains or enhances
19 environmental benefits; and that the facility maintains
20 or enhances the economic sustainability of the
21 integrated waste management system.

22 We have added a, one modification, one
23 grammatical modification, but another modification to
24 point two.

25 "The facility complements the

1 existing recycling and diversion
2 infrastructure in converting solid
3 waste that was previously disposed."

4 That is, just to clarify that this is indeed
5 material that was being landfilled as part of the base
6 year and will enable us to work more easily through the
7 disposal reporting system in terms of tracking the
8 movement in this material.

9 So the primary difference between this and the
10 February proposal is that the timing of the Board's
11 determination would be made when the Board reviews a
12 jurisdiction's, either its SRRE or its annual report,
13 and you would have to make some findings about these,
14 make these four findings in order for the jurisdiction
15 to get whatever credit was claimed.

16 In February we had proposed that this be part
17 of the facility permit process, and we wanted to make
18 that.

19 Option four is the suggestion of the working
20 group language on a report to the legislature, that
21 beginning in five years the Board in its annual report
22 to the legislature should summarize the status of the
23 industry, include a list of permitted facilities, and a
24 contribution to diversion.

25 Option five is the most controversial and

1 concerns the amount of diversion credit. The majority
2 working group proposal is, and I already referred to it,
3 but basically that jurisdictions that meet all of the
4 above criteria, in other words, the findings that the
5 Board would be asked to make, would be eligible for 25
6 percent diversion credit, an amount which can be
7 adjusted up or down by the Board after some due process
8 and subsequent Board findings.

9 The minority proposal of the working group,
10 there was not an actual formal written proposal, but we
11 characterized it as, "Jurisdictions that meet all of the
12 above criteria, again the findings by the Board, would
13 be eligible for ten percent diversion credit."

14 As staff we have come up with an additional
15 option 2C, excuse me, 5C in your agenda item, which
16 would be to use the ten percent diversion credit so the
17 jurisdictions that meet the above criteria would be
18 eligible for the ten percent diversion credit, but also
19 to add a provision that the Board assess the effect of
20 allowing this diversion credit, and include
21 recommendations in its 2008 report to the legislature
22 about future diversion credit, whether this should be
23 increased or changed. And the language is in the item,
24 specific language.

25 Option 5D is to provide some intermediate

1 level of diversion credit such as 15 percent.

2 We are recommending 5C, which is the minority
3 proposal regarding ten percent diversion credit with a
4 provision that the Board revisit this in its 2008
5 report, and we had a comment about that particular date
6 which I'll get to in a minute, and make a recommendation
7 to the legislature at that time as to whether the amount
8 should be, stay the same or be increased.

9 So this is essentially refinement of our
10 February middle ground proposal. I do want to
11 acknowledge that the majority of the working group
12 recommended 25 percent subject to approval by their
13 governing bodies, and that's a major shift in their
14 position.

15 But our rationale was sticking with a kind of
16 a ten percent with a revisit provision is as follows:

17 First of all, there are no conversion
18 facilities in California that use solid waste, and
19 there's only one that we're aware of in the world that
20 uses solid waste plus one under construction in Canada.
21 So we don't have a long track record with these
22 facilities, although they are, there are dozens of them
23 that use other feedstocks.

24 So we feel that these facilities have a lot of
25 promise to help mitigate environmental issues, develop

1 products and increase diversion, but their actual
2 environmental performance, their costs and their effects
3 on existing programs is yet to be determined.

4 Option 5C would allow a limited, a very
5 limited amount of diversion credit initially with a
6 later reevaluation to see whether this should be
7 increased.

8 We think this would help provide an incentive
9 now for developing these technologies, but also allow
10 for a more thorough evaluation down the line of the
11 impacts.

12 Before I close I do want to indicate that I
13 had one telephone conversation on Friday with a party
14 who did not like, did not agree with staff's
15 recommendation on diversion credit; but more
16 specifically also felt that the 2008 date, if we came
17 back to revisit, whatever the percentage diversion
18 credit is, if we come back five years from now to
19 revisit it would be too late because most of the, all
20 the jurisdictions would have already gone through their
21 biennial reviews and 1066 extensions would be completed
22 and things like that. So they felt that the revisiting
23 should be in two or three years, and that certainly
24 makes sense to us as well.

25 So it's something we're certainly willing to

1 change or come back to the Board with a revised
2 resolution on that.

3 So that is the gist of the item. It's a
4 complicated item. We are recommending that you, the
5 committee approve options 2B, three, four, and 5C, and
6 I'll have this on a PowerPoint at the Board meeting so
7 you can follow it along, and adopt Resolution 2002-177.

8 COMMITTEE MEMBER ROBERTI: Mr. Chairman.

9 COMMITTEE CHAIR JONES: Senator.

10 COMMITTEE MEMBER ROBERTI: If there's a
11 conversion technology which transforms something to, to
12 say fertilizer -- can't hear me? -- transforms something
13 to fertilizer, what kind of credit would that be given?

14 MR. LEVENSON: Well I think that would
15 probably fall under the anaerobic digestion category,
16 and that's actually probably the trickiest one that we
17 probably have to deal with in a subsequent rulemaking.

18 Right now anaerobic digestion is regulated by
19 the Board under the composting regulations. So, in
20 essence, it actually would get full credit for whatever
21 amount of material go to that.

22 COMMITTEE MEMBER ROBERTI: Okay. Now is this,
23 if I vote for this resolution, would that reduce the
24 full credit that they're getting?

25 MR. LEVENSON: Not unless, that's something

1 that we could be directed to address in the rulemaking
2 or to tweak this definition.

3 In my mind it would not because they're
4 currently regulated under the composting regs. So
5 unless the specific, we came back to you and said to the
6 Board we want to change how these are regulated.

7 COMMITTEE MEMBER ROBERTI: Because some people
8 speak of that kind of thing as transformation.

9 MR. LEVENSON: Well, we have included
10 anaerobic digestion under the general term of conversion
11 just because we think there needs to be more work done
12 on it.

13 But in terms of regulation and availability of
14 credit that currently there already is a process.

15 COMMITTEE MEMBER ROBERTI: In my mind this is
16 a compost, this is a new product, I think that kind of
17 transformation should be given the, the hundred percent.

18 MR. LEVENSON: Senator, right now that's where
19 we are.

20 COMMITTEE MEMBER ROBERTI: I want to keep
21 moving forward as we are taking into consideration
22 conversion technology, I don't want to move backward on
23 the few things that we have.

24 MR. LEVENSON: You wouldn't be because in the
25 definition of transformation in statute, there is not a

1 specific reference to anaerobic digestion, in fact, it
2 says, "Other than composting." So by definition it's
3 excluded for transformation and we would maintain that
4 exclusion.

5 COMMITTEE MEMBER ROBERTI: So what we're
6 doing, in effect, as far as counting the diversion
7 numbers is that if some, incineration we give ten
8 percent to right now?

9 MR. LEVENSON: If permitted before '95.

10 COMMITTEE MEMBER ROBERTI: If permitted before
11 '95. Now we're extending that to conversion
12 technologies and making it an across the board ten
13 percent?

14 MR. LEVENSON: What this would do would take
15 out some of the technologies that are currently listed
16 in the transformation definition, create a new
17 definition for them, and allow up to ten percent, like
18 gasification hydrolysis, those kinds of things.

19 COMMITTEE MEMBER ROBERTI: So are we taking
20 things, I understand that we're including, I say
21 beneficial uses, it makes more sense to a layman. So
22 we're including more beneficial uses. Are we
23 subtracting as well then from the kinds of things we
24 give our ten percent to?

25 MR. LEVENSON: No, because right now there are

1 only three facilities in the -- for those things that
2 are currently defined under transformation, there are
3 only three facilities in the state that are eligible for
4 getting diversion, well, for jurisdictions to get
5 diversion credit. And those are the three waste to
6 energy facilities that were permitted long ago. So a
7 new --

8 COMMITTEE MEMBER ROBERTI: But that's before
9 19 -- what was it?

10 MR. LEVENSON: '95.

11 COMMITTEE MEMBER ROBERTI: '95.

12 MR. LEVENSON: So a new facility, whether it's
13 an incinerator or a gasification plant or something that
14 uses distillation or pyrolysis, somebody can certainly
15 build it, and we can certainly permit it, but they
16 wouldn't get any credit, if the jurisdiction is sending
17 materials there.

18 COMMITTEE MEMBER ROBERTI: Now, if these regs
19 pass, will they get credit if you build a new
20 incineration plant?

21 MR. LEVENSON: If the changes that we're
22 proposing go through in statute, more or less as we're
23 proposing, a new hydrolysis facility or a new
24 gasification facility, those would get credit.

25 COMMITTEE MEMBER ROBERTI: What about

1 incineration?

2 MR. LEVENSON: That would not. Because we are
3 essentially saying remove these non-burn technologies
4 from the transformation definition, allow them some
5 limited credit, leave incineration in the transformation
6 definition.

7 COMMITTEE MEMBER ROBERTI: And the conversion
8 technology, you are, your trash to fertilizer that you
9 call anaerobic conversion, that would get, you think
10 that still gets a hundred percent?

11 MR. LEVENSON: That would because it's under
12 the composting regulations, so it's included in that
13 whole --

14 COMMITTEE MEMBER ROBERTI: Well I like
15 everything about these regs, in my mind, however, I'm
16 not too sure about the new incineration.

17 My reasoning being, if we are giving, in
18 effect, credit to alternative daily cover, another
19 issue, but if we're giving credit, alternative daily
20 credit to in effect put trash back into the landfill
21 and, you know, hocus focus, give the cities credit for
22 it, then I tend to think trash to incineration, if it
23 produces energy, is far more beneficial than ADC.

24 I hate expanding this area of minimal benefit,
25 but there is some benefit there, and the greatest

1 loophole we have in our diversion count is ADC in my
2 humble estimation.

3 So it's one I think we should mull. I don't
4 want to hold the regs up over this, but I think it's an
5 important point.

6 COMMITTEE CHAIR JONES: Senator, I think it's
7 an important point too, but I think to get, I think we
8 ought to leave them as transformation for the new stuff
9 out to another package some day, because just to get
10 everybody to get consensus to detach gasification has
11 been a monumental task.

12 COMMITTEE MEMBER ROBERTI: I understand.

13 COMMITTEE CHAIR JONES: And if we throw in
14 incineration we're going to have all those people that
15 work for us working against us, and it could blow the
16 whole thing up. That doesn't mean we couldn't go back,
17 you know, in a year or two.

18 We do have one speaker, however.

19 COMMITTEE MEMBER ROBERTI: I'm going to vote
20 for it today and mull over it. My vote today should not
21 be misconstrued as a vote tomorrow.

22 COMMITTEE CHAIR JONES: Okay. We have one
23 speaker slip, so anybody else better make it quick.
24 Yvonne Hunter. If anybody else needs to speak, we need
25 a slip.

1 Ms. Hunter.

2 MS. HUNTER: Wireless mikes which I just pull
3 apart. Here we go. How's that?

4 Good afternoon, Yvonne Hunter with the League
5 of California Cities.

6 First of all, I think we've come a very, very
7 long way since, I guess it was in February at the
8 pre-Board workshop and then the workshop or the Board
9 meeting itself, we asked you to put this item over so
10 that there can be some more dialogue among the
11 stakeholders. And I think Howard's description of the
12 meeting in March is very accurate and staff really is to
13 be commended. They came well prepared with all the
14 right technology. We had overhead projectors and
15 computers and it was, it was very good.

16 As far as the definition of conversion
17 technology, we made great strides. I'm not sure what
18 the effects are of the suggested changes that staff has
19 recommended, and if the Board does decide to move
20 forward with that I would ask that nothing in the sense
21 of definitions be set in stone because no one has had a
22 chance to have the dialogue back and forth what the
23 changes mean and maybe there's another way to word it to
24 get at some of Howard's questions, staff's questions.

25 Same thing on the issue of whether or not it

1 went to a landfill and what you do with residual and
2 double counting. I think they're, we need to keep that
3 open as well.

4 I'm pleased to say that the League, and I'm
5 almost 99 and nine-tenths percent sure that I can speak
6 for CSAC, we are now in support of the 25 percent
7 proposal. We had an option to bring it to our policy
8 committees.

9 I don't think we are polarized anymore. Local
10 governments has, when you think about it, if you do the
11 math, we've come a long way from the hundred percent,
12 and we still believe you ought to get a hundred percent
13 credit, to putting a 25 percent option on the table.

14 The criteria that the working group came up
15 with, the findings that the Board would have to make in
16 order for a jurisdiction to get credit, and Howard read
17 them, I think should put to rest any question on whether
18 or not this is going to gobble up recyclables or under
19 mine the recycling infrastructure. It clearly will
20 complement it. And frankly, any jurisdiction that
21 requests credit that can, and the Board can make all
22 those findings, they ought to be given a gold star and a
23 hero's parade because I think this is truly innovative.

24 I must say we are, we were, we are, remain
25 very disappointed that staff only recommended ten

1 percent. When we moved ahead and enacted AB 939 and
2 jurisdictions were told to achieve 25 and 50 percent; a
3 lot of the technology, while there were pockets of it
4 around, there was a lot of new technology that came on
5 board that needed to be put in place. Certainly the
6 markets weren't anywhere near as robust as everybody
7 wanted, yet the legislature in its wisdom went ahead and
8 charged us with 25 and 50 percent.

9 So just because the technology by some
10 accounts may not be there yet, I don't think that's
11 sufficient reason to limit it to ten percent.

12 And I would also, Senator, you correctly
13 raised the issue about transformation. We want to make
14 it clear what we're looking at is not incineration. And
15 it's important to separate that out.

16 Related to that, by just having ten percent
17 symbolically, I think that really does equate it to
18 transformation or to incineration. This is something
19 that is much, much better than that, and I think we do a
20 disservice to the Waste Board that's done a lot of work
21 in this area, the project proponents, and everyone that
22 is looking at this new technology if we equate it to
23 incineration and limit it to ten percent.

24 What I would ask this committee to do is if
25 you are going to move this item forward, and obviously

1 you are to the full Board, that you not endorse any one
2 figure yet, and let's see if we can have some additional
3 discussion.

4 I would hate for this committee on a four zero
5 or three one or whatever vote to endorse any one
6 percentage, because we'd like to convince you, be able
7 to have the opportunity to convince you that 25 percent
8 is the right way to go.

9 Thank you.

10 COMMITTEE CHAIR JONES: Any questions?

11 Senator.

12 COMMITTEE MEMBER ROBERTI: Let me ask you a
13 tough question, I think it's tough. If we said, "Hey,
14 we've got a deal for you." If at some point you were
15 willing to give up alternative daily cover, is there a
16 number? Is there a number --

17 COMMITTEE CHAIR JONES: You're killing me.

18 (LAUGHTER.)

19 COMMITTEE MEMBER ROBERTI: -- which you would
20 take over and above ten percent? Because I can tell you
21 if we could give up alternative daily cover I'd champion
22 a much higher number than ten percent.

23 MS. HUNTER: Let me see if I can give you a
24 deal. Senator, Mr. Roberti, I can't answer that, and I
25 don't know. I would have to go back and ask.

1 COMMITTEE MEMBER ROBERTI: I suspect all your
2 jurisdictions would have a different opinion.

3 MS. HUNTER: Yes, they would. And with all
4 due respect, I think we're comparing two different
5 things. I respect your opinion on ADC, whether it is
6 diversion, whether it isn't, that's I don't think the
7 case with conversion technology.

8 The idea, we're not putting anything back into
9 the landfill, which is what some people think ADC does.
10 To the contrary. We're taking it out and we're putting
11 it to beneficial use. You used the term. Whether we're
12 creating energy, solvents, fertilizer, whatever, so this
13 is the proverbial not even apples and oranges, it's
14 apples and tomatoes, no tomatoes a fruit, it's apples
15 and potatoes.

16 COMMITTEE MEMBER ROBERTI: Well, you do have a
17 point. However, in our trying to convince the public as
18 to the efficacy of our waste diversion programs, the
19 public in comprehending this wants to know, I suspect,
20 how much waste we're diverting.

21 And therefore, in the aspect of public
22 acceptance of our programs, and public enthusiasm to
23 follow through with our programs, which I think is
24 important --

25 MS. HUNTER: Uh-huh.

1 COMMITTEE MEMBER ROBERTI: -- I don't think
2 it's apples and originals from a -- or apples and
3 potatoes.

4 From a pure scientific point of view I grant
5 you're right, but from a point of view of public
6 acceptance and understanding and comprehensibility of
7 just what we are doing to divert our waste, I think it
8 is very, very much related.

9 And I think the public would be much more
10 enthusiastic by saying, "Hey, the numbers are ratcheting
11 up because we have beneficial use, or we have this new
12 technology," than they are when they hear hey, the
13 reason why 57 Palms got a good diversion number is
14 because, you know, they threw trash in the landfill and
15 happened to, you know, qualify as diversion. Well you
16 understand.

17 MS. HUNTER: I understand. And I would just
18 remind everyone that you, for ADC you can't pile it
19 higher and deeper, you can't just continue to add on,
20 there is a functional ceiling, so to speak, upon which
21 after you get to that point you no longer get credit.

22 COMMITTEE MEMBER ROBERTI: Yeah, although we
23 do seem to have some jurisdictions that have been
24 testing the limits.

25 MS. HUNTER: Well then they should be yanked

1 back.

2 COMMITTEE CHAIR JONES: We caught 'em.

3 MS. HUNTER: I think they got yanked on that.

4 Yes, sir.

5 COMMITTEE CHAIR JONES: Okay, quickly. Are
6 you --

7 MS. HUNTER: Yes. Yes.

8 COMMITTEE CHAIR JONES: That's it, you want us
9 to hold off or move it ahead?

10 MS. HUNTER: Move it ahead, but I would urge
11 you not to endorse any one of the staff, at least for
12 credit, recommendations for the sake that I'd like to
13 think there's some alternatives.

14 COMMITTEE CHAIR JONES: No problem.

15 MS. HUNTER: Thank you.

16 COMMITTEE CHAIR JONES: The next speaker is
17 George Larson.

18 MR. LARSON: Chairman Jones, members. In
19 order to expedite it --

20 COMMITTEE CHAIR JONES: Yeah, I want to give
21 her a break pretty quick, so let's --

22 MR. LARSON: I'm not going to repeat, only
23 endorse virtually everything Yvonne said.

24 I'm George Larson representing Plastics
25 Energy, LLC.

1 We are a conversion technology company that
2 will be converting waste, non-recycled plastics into low
3 sulfur, diesel fuel, and electricity. And these
4 technologies are moving along.

5 I just want to make a couple of points. One
6 thing that we're encountering as we work with local
7 governments is that there is a strong reluctance, if you
8 will, to invest money into recycling technologies -- and
9 I believe this will turn out to be called a recycling
10 technology -- into systems where they do not foresee the
11 opportunity to get credit.

12 So while this process is certainly early in
13 the developmental stages, it has moved rapidly.

14 And I want to take one minute to comment on
15 the polarization. I believe this is not polarized, and
16 in fact, I saw Mark Murray come in the back door, I want
17 to really commend him and his organization on the way
18 that they've approached this issue. I think they've
19 been objective, they certainly stand by the ten percent,
20 and I respect that.

21 However, I do support the 25 percent. But the
22 bottom line is maybe it's too early for the Board to
23 nail down any percent and leave those options open,
24 because this will be a lengthy discussion. We do have
25 legislation coming down the road.

1 So I think we're on a good track, and I think
2 you need the flexibility to be able to deal with other
3 issues and maybe come up with something like a range
4 between ten and 25 percent based on some specific
5 criteria that are location specific.

6 Thank you.

7 COMMITTEE CHAIR JONES: Okay. Any questions?

8 Mr. Mark Murray.

9 MR. MURRAY: Mr. Chairman, members, I'll be
10 real brief.

11 My arm is just recovering from the twisting
12 that it took two months ago from the Chairman on this
13 issue. And you know, this is, the ten percent that we
14 agreed to not object to is in order to give this
15 technology a chance to demonstrate itself. And I think
16 it's premature for us to be saying whether or not this
17 is, you know, substantially better than biomass, which
18 is our primary transformation technology right now, or
19 not. And I think that the idea of our accepting of a
20 ten percent was to allow a total, to allow this
21 experiment to take place over the next several years and
22 not let that be a barrier to this technology moving
23 forward.

24 With all due respect to this Board and to my
25 friends that are asking for more here, we would have to

1 object, and we would actually oppose legislation, a
2 proposal from the Board or subsequent legislation that
3 would go beyond the ten percent that we came to two
4 months ago.

5 So if there's any questions?

6 COMMITTEE CHAIR JONES: Questions? I know Mr.
7 Eaton's got it. I have one question, Mark.

8 If we did the ten percent now and we put a
9 caveat and we go back and look at it as it's developed,
10 and maybe there's different things; you're open to
11 looking at this in the future?

12 MR. MURRAY: Absolutely. Always willing to
13 continue to look at it. I think we've got to get, one
14 of these projects has got to go through the
15 environmental review process. We have to get something
16 through before we start determining, you know, big
17 picture credit for stuff.

18 COMMITTEE CHAIR JONES: Right. Mr. Eaton.

19 MR. MURRAY: Thanks.

20 COMMITTEE MEMBER EATON: Well I know that
21 time's tough so I'm not going to make any comments on
22 this, but I would recommend one of two options for us
23 today:

24 Either this does not get out of the committee
25 and leave it for two months until some of this can

1 actually get cooked.

2 And/or, that it move to the full body and so
3 that some of our colleagues who are not here and part of
4 this committee can hear the debate, and we vote fully as
5 part of that. Because we're probably divided on the
6 recommendation we heard today.

7 So that, those would be the two options I'd
8 say, just keep it here for a little bit, and then have
9 the discussion or otherwise send it to the full Board
10 and let them see where it comes down.

11 COMMITTEE MEMBER MOULTON-PATTERSON: Mr.
12 Eaton, I was going to suggest that we send it to the
13 full Board.

14 COMMITTEE MEMBER EATON: With no
15 recommendation, just kind of a discussion.

16 COMMITTEE CHAIR JONES: With no
17 recommendation.

18 COMMITTEE MEMBER EATON: Yeah, that's fine.

19 COMMITTEE MEMBER MOULTON-PATTERSON: At least
20 with no recommendation as far as I'm concerned on the
21 percentage.

22 COMMITTEE MEMBER EATON: Yeah.

23 COMMITTEE CHAIR JONES: Fine. We'll deal with
24 it at the Board meeting then. Thank you. Okay.

25 COMMITTEE MEMBER EATON: Mr. Jones, I have a

1 4:30 appointment across the street so I'm not going to
2 be able to go for the tires, but one of the things that
3 I wanted to ask while I was here is that with regards to
4 the local government waste tire grants, that for the
5 full Board meeting I would like an explanation.

6 In the past we have, on these cleanup
7 programs, had the contractor clean up our contractor.
8 The Board's contractor has spent between fifty cents and
9 two dollars per tire to clean up these tires. We are
10 seeing these grants that you're going to be voting on
11 ranging from anywhere from two dollars to 15, excuse me,
12 to in some cases seven dollars per tire, in one case
13 almost thirteen dollars per tire for 500 tires to clean
14 up, it will be thirteen dollars a tire.

15 I'd like an explanation, first and foremost,
16 what's entailed to clean up 500, you know, tires that's
17 going to cost that much per tire, since I don't believe
18 there's any canyons on this piece of particular
19 property. And I didn't want to catch anyone off guard
20 and have 'em vote out of committee for that.

21 And second of all, I'd like that when we do
22 get these types of grants to find out whether or not the
23 tires are going to go into a landfill? Are they going
24 to be used for a beneficial purpose? Because if all
25 we're doing is putting 'em in a landfill then we have to

1 determine, you know, what part of that cost is going to
2 be attributable to the landfill.

3 But as you can see, there's 700 tires, 500
4 tires, \$7,600; 2,000 tires, 13,000; but if you could do
5 that, I just wanted to let the director know.

6 COMMITTEE CHAIR JONES: But we're going to
7 hear the item and do the investigation here.

8 If nobody has any more questions we're going
9 to take a ten minute break and then come back.

10 (Thereupon there was a brief recess.)

11 COMMITTEE CHAIR JONES: Okay. We're back in
12 committee session.

13 Do any members have ex partes?

14 Senator?

15 COMMITTEE MEMBER ROBERTI: No. No.

16 COMMITTEE CHAIR JONES: And I do, with Mark
17 Murray and George Larson on the conversion technology
18 allocation as far as credit goes.

19 Okay.

20 MS. WILLD-WAGNER: Special Waste, good
21 afternoon.

22 COMMITTEE CHAIR JONES: Good afternoon.

23 MS. WILLD-WAGNER: I'm Shirley Willd-Wagner,
24 of Special Waste, of the Used Oil and Household
25 Hazardous Waste Program.

1 We're sort of split this month, so Martha and
2 I, of course, as you know are co-directing the division,
3 and we've got one item on the agenda that is used oil
4 that is coming first, and then three items way at the
5 end after tires. For facilitation of speed this
6 afternoon, if it's all right with the Chair, we'll do
7 all four of the used oil items first and then the tire
8 items.

9 Is that all right?

10 COMMITTEE CHAIR JONES: Just give us the
11 agenda item number of both.

12 MS. WILLD-WAGNER: We will do that.

13 I think I'm really excited about, first of
14 all, the committee structure, because I think it's going
15 to give us an opportunity to get a lot more engaged
16 dialogue that we've needed for some of our programs and
17 some of the new issues that are facing the used oil
18 program.

19 And a couple of the items, our first item will
20 be evidence of some of the things, but we need a little
21 bit more direction from you, we want to exchange ideas
22 and get a little bit more involved.

23 Next month also we'll be bringing forward a
24 scope of work for used oil program assessment that we're
25 undertaking. It's been around for ten years now, and we

1 think it's time to look at the macro view of the used
2 oil program and ask some of the hard questions and
3 decide if we're going in the right direction with the
4 program.

5 So we're hoping that that will be an
6 opportunity to get some feedback, dialogue between the
7 Board members and staff, and see what direction you
8 would like us to go.

9 Of course, we'll bring that scope of work to
10 the advisors, and also discuss it with anyone else who
11 might be interested before the advisor meeting next
12 month.

13 A couple of announcements before we actually
14 get started on the agenda, similar to what Patty did as
15 far as the announcements with her division.

16 Our statewide conference for household
17 hazardous waste and used oil is in May, the 21st through
18 the 24th in Ventura. And we co-sponsor this conference
19 with the Department of Toxic Substances Control. We'll
20 probably have between 275 and 300 attendees.

21 And the theme this year is on making the
22 connection. A lot of the technical sections focus on
23 making the connection between such as E-waste and
24 emerging issues and legislation. And cautionary
25 principle, bilingual education. We'll have a lot of

1 really good technical sessions. So I know that Board
2 members support of these conferences have been very good
3 in the past, and we expect it this year also.

4 Mr. Medina is making the opening remarks, and
5 Chair Moulton-Patterson is going to be participating in
6 the awards ceremony, so we're really looking forward to
7 that.

8 Also, on May 1st and 2nd we're working with
9 the Office of Organizational Effectiveness on a workshop
10 for all staff called the Promoting Sustainable Behavior
11 Workshop. This is a speaker, Dr. Mackenzie Moore, that
12 we heard at the National Conference for Household
13 Hazardous Waste. He's an excellent speaker.

14 And I think it will be very beneficial both to
15 Board staff, and then we'll be able to carry this on to
16 our customers, the local governments, to help them
17 direct their public education dollars towards making the
18 most effective difference in behavior change, and
19 actually making that step of recycling your oil or
20 purchasing less toxic materials. So that's kind of
21 another thing that's coming up May 1st and 2nd and
22 available to all Board staff.

23 Okay. The first item in the business part of
24 the Special Waste Division is Board item 16, is that
25 correct or is that backwards? Board item 16 and

1 committee item number 14, consideration of the grant
2 awards for the opportunity grant program.

3 We're wanting to accomplish two things with
4 this item.

5 First, of course, is the consideration of the
6 actual recommended projects for grant awards under the
7 used oil opportunity grant program.

8 And secondly, we're asking for your input to a
9 staff proposal on a idea for a pilot program to address
10 the legislative intent of AB 1201 which was the
11 stormwater initiative, using used oil funds for
12 stormwater pollution prevention projects.

13 So we have some ideas that will be brought out
14 in the staff presentation. Just to remind you, though,
15 that we need two different things; we need your action
16 on the consideration of the grant awards, and then
17 discussion on the pilot program.

18 Carla Repucci of our program will make this
19 presentation.

20 MS. REPUCCI: Good afternoon, Chairman Jones
21 and committee members. I am Carla Repucci, grant
22 manager in the used oil and household hazardous waste
23 program, and I will present item 14, consideration of
24 the grant awards for the used oil opportunity grant
25 program for fiscal year 2001-2002.

1 And there are some packets in the back of the
2 room for those of you that are interested.

3 Used oil opportunity grants are awarded on a
4 competitive basis to local governments for the
5 establishment of new programs or expansion of existing
6 programs that address the proper management of the used
7 oil.

8 \$5.8 million is available for this round of
9 used oil opportunity grants. Individual applicants
10 could request up to 300,000, and regional applicants up
11 to 700,000.

12 26 applications were received. 65 percent of
13 the applications came from Southern California cities or
14 counties, and 35 percent were from northern.

15 The number of applications received for this
16 grant cycle was relatively low compared to previous
17 opportunity grant cycles. 37 applications were
18 submitted for the last opportunity grant cycle, and 68
19 for the one prior. The low number of applications
20 submitted for this cycle, only 26, could be a result of
21 timing. The application was due just after the
22 holidays.

23 Application suspension. The notice of funding
24 availability and application were released, then the
25 application was put on hold while another agenda item

1 was prepared to revise the scoring criteria. The points
2 allotted for green procurement were raised upon
3 direction by the Board. The application period was then
4 reopened with a new application due date.

5 Additionally, workload constraints of the
6 potential applicants or other reasons beyond program
7 staff's control may have been factors.

8 Eighteen applications received passing scores
9 and are being recommended for funding. A list is
10 included with your packet.

11 There were eight applications that received a
12 score of less than 70 percent which put them below
13 passing. The majority of these ranked in the poor range
14 in both the evidence of a recycled content purchasing
15 policy, and the completeness criteria; and all of them
16 ranked in the fair to poor range for need.

17 Staff is available after the Board meeting to
18 work with all applicants that would like assistance in
19 improving future grant applications.

20 Several of the Board's grant programs have
21 enacted a geographic distribution provision for their
22 grants, awarding approximately 61 percent of available
23 funding to projects submitted by Southern California
24 applicants, and 39 percent to projects submitted by
25 Northern California applicants.

1 However, criteria approved by the Board in
2 October did not mandate a geographic split for this
3 grant cycle. Nevertheless, 56 percent of the
4 applications being recommended for award are from
5 Southern California, and 44 percent are from Northern
6 California.

7 AB 1201, which was effective January 1st of
8 this year, allows for used oil opportunity grant funds
9 to be used for education and mitigation projects
10 relating to stormwater pollution from used oil and oil
11 by-products; including, but not limited to, storm drain
12 filter inlet devices. The application for this used oil
13 opportunity grant cycle included this as an eligible
14 cost.

15 Two applications were received requesting
16 funds for storm drain filter inlet devices. Neither
17 application received enough points to be recommended for
18 funding. Some reasons why these applications did not
19 score well could be the applications did not establish a
20 compelling need; the environmental benefits ascribed to
21 the projects were generalized and not focused on those
22 associated with the removal of oil and oil by-products;
23 and little discussion was provided on why these devices
24 were the best alternatives to address the collection of
25 oil and oil by-products in the area; or why potentially

1 cheaper alternatives, such as focused publicity and
2 education, might not be a more cost effective
3 alternative.

4 In conclusion, storm drain inlet projects were
5 determined to be eligible for grant funding, but not
6 competitive in the award process. I'll discuss more
7 about that in detail shortly.

8 At this time I'd like to proceed with staff
9 recommendation of approval of Resolution 2002-160 and
10 the award of eighteen grants for \$5,103,182.62.

11 COMMITTEE CHAIR JONES: Are there any
12 questions?

13 Okay, we need a motion on this item.

14 COMMITTEE MEMBER MOULTON-PATTERSON: Okay.
15 I'll move Resolution 2002-160 to approve grant awards
16 for the used oil opportunity grant program for the
17 fiscal year 2001-2002.

18 COMMITTEE CHAIR JONES: Okay. Thank you,
19 Madam Chair.

20 And I'll second.

21 Would you call the roll?

22 COMMITTEE SECRETARY BAKULICH: Moulton-
23 Patterson?

24 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

25 COMMITTEE SECRETARY BAKULICH: Roberti?

1 COMMITTEE MEMBER ROBERTI: Aye.

2 COMMITTEE SECRETARY BAKULICH: Jones?

3 COMMITTEE CHAIR JONES: Aye.

4 This is a dollar item that should go on
5 consent and if anybody -- so I'm going to propose this
6 for consent. Okay. No objection it will go on
7 consent.

8 Be prepared in case somebody wants to pull it
9 off though, you never know.

10 MS. WILLD-WAGNER: Now we'll go over the
11 second part of the pilot program.

12 MS. REPUCCI: As Shirley mentioned, AB 1201,
13 in order to address the legislative intent of AB 1201,
14 staff proposes to initiate a pilot program in fiscal
15 year '02-'03 to assess performance characteristics and
16 cost effectiveness of various stormwater filter inlet
17 devices.

18 Staff envisions two separate projects; one in
19 the northern part and one in the southern part of the
20 state.

21 We would solicit the advice of the local
22 government representative's policy advisory committee on
23 the selection of the project sites and applicants.

24 As envisioned, the projects would provide
25 field testing to assess measurable environmental

1 benefits from the reduction of oil and oil by-products
2 only.

3 COMMITTEE CHAIR JONES: What's the item?

4 MS. WILLD-WAGNER: This is the same item.

5 COMMITTEE CHAIR JONES: Same item?

6 MS. REPUCCI: This is what we're hoping to get
7 some feedback, some discussion on.

8 COMMITTEE CHAIR JONES: Okay. Okay. I'm
9 sorry.

10 MS. WILLD-WAGNER: No action.

11 MS. REPUCCI: The money for the pilot project
12 would come from the oil fund local assistance line item
13 for non-profit and research and demonstration grants.

14 Results from the study would be available
15 prior to the next opportunity grant cycle currently
16 scheduled for '03-'04. We believe a pilot program may
17 be the most effective way to address the legislative
18 intent of AB 1201.

19 If the committee feels this approach has
20 merit, we will proceed as proposed and develop a scope
21 of work for the pilot program to bring back before you
22 at a later date.

23 I will be glad to answer any questions you
24 might have.

25 MS. WILLD-WAGNER: So all we're looking for,

1 all we're doing here is telling you that the two
2 stormwater inlet devices that were proposed under
3 funding for the used oil opportunity grant, neither of
4 them were funded, they did not receive a passing
5 application.

6 With the legislation of 1201 we feel we need
7 to do something, take a little next step to address
8 this, and well, and our idea we've discussed with
9 administration and finance division and with legal
10 office, we've got some ideas on how we could do that
11 through a focused pilot program of a pilot grant
12 program. So we would be bringing back those ideas to
13 you.

14 We just sort of wanted to throw out the idea
15 here today to address the fact that you may get calls
16 since the stormwater pollution prevention projects were
17 not funded.

18 COMMITTEE CHAIR JONES: All right. So you're
19 going to be working on that, you're going to be bringing
20 us back an item, and do you have dollars available
21 anywhere that if you decide that you're going to fund
22 this at some point in the pilot --

23 MS. WILLD-WAGNER: We have dollars that would
24 actually be allocated in our item, in our used oil
25 allocation item in fiscal year 2002-3. So it would be

1 funded in a couple of different times in a couple of
2 different places.

3 COMMITTEE MEMBER ROBERTI: Is that program,
4 the applicants for that program are exclusively
5 jurisdictions?

6 MS. WILLD-WAGNER: Yes.

7 COMMITTEE MEMBER ROBERTI: And how many
8 applicants were there on this list?

9 MS. WILLD-WAGNER: 26.

10 COMMITTEE MEMBER ROBERTI: How many?

11 MS. WILLD-WAGNER: 26.

12 COMMITTEE MEMBER ROBERTI: And no one received
13 'em?

14 COMMITTEE CHAIR JONES: Wait. Wait. Wait.
15 How many wanted the stormwater drain?

16 MS. WILLD-WAGNER: Two.

17 COMMITTEE MEMBER ROBERTI: Oh, only two wanted
18 the stormwater drain?

19 MS. WILLD-WAGNER: That's correct.

20 COMMITTEE MEMBER ROBERTI: And those two
21 didn't pass?

22 MS. WILLD-WAGNER: That's correct.

23 COMMITTEE MEMBER ROBERTI: And the other 24
24 applicants, 26 applicants were for what?

25 MS. WILLD-WAGNER: The eighteen applicants

1 that are recommended for funding are the more
2 traditional used oil collection and recycling programs
3 with collection centers, public education, collection
4 facility development, where they're collecting a lot
5 more used oil and where they meet the criteria that the
6 Board established.

7 COMMITTEE MEMBER ROBERTI: What are the
8 criteria that the Board --

9 MS. WILLD-WAGNER: Define the other criteria?

10 COMMITTEE MEMBER ROBERTI: Yeah.

11 MS. WILLD-WAGNER: That is attachment one in
12 your packet. It's the traditional general review
13 criteria, need, objective, methodology, evaluation,
14 budget, completeness, and recycled content procurement
15 guide. Also, the applicant expands, proposes to
16 establish a new program or expand existing program, and
17 the applicant did not receive an opportunity grant
18 during the last cycle.

19 COMMITTEE MEMBER ROBERTI: Yeah, it sounds
20 relatively standard. What concerns me back on a
21 variation on an old theme is that I think our scoring,
22 not just on this program but in general, is skewed to
23 make sure anyone with an innovative program loses.

24 I'm not saying that's what happened here. But
25 it just strikes me that if we, if we compile all the

1 various innovative programs, if we could do such a
2 thing, they just, they wouldn't pass muster.

3 And even here we're almost begging for storm
4 drain programs, and even in that case they don't pass
5 muster. Because I tend to think we look for so much
6 past efficacy because, through the methodology and the
7 evaluation and the objective, and that's how, and
8 completeness aspects of the grant that anybody who has
9 either research and development or an innovative program
10 really has a Mt. Everest to climb. And --

11 MS. WILLD-WAGNER: This is --

12 COMMITTEE MEMBER ROBERTI: And I'm not, I'm
13 not, I'm not -- this is, I'm talking about all our
14 grants in general, and whatever.

15 MS. WILLD-WAGNER: I think that's one of the
16 things that we found is that in this particular case the
17 criteria was approved back in October, which was before
18 the legislation passed, so this was very generalized
19 criteria, the typical criteria, so we didn't have the
20 chance -- we had the chance to make stormwater pollution
21 programs eligible, but we didn't design any of the
22 criteria that way. That's why we're kind of proposing
23 this next step.

24 COMMITTEE MEMBER ROBERTI: Okay. So in view
25 of the legislation you are now saying that we now have

1 an opportunity to Tailor our grant writing to more
2 specifically innovative programs or programs that adapt
3 to the need in question?

4 MS. WILLD-WAGNER: As identified in the
5 legislation, yes.

6 COMMITTEE MEMBER ROBERTI: Okay. Fine.

7 MS. WILLD-WAGNER: And that would come back,
8 as I said, both to this committee and to the budget
9 subcommittee as we do our allocation item.

10 COMMITTEE CHAIR JONES: Working through this
11 pilot you'll be able to figure out what those issues are
12 to address that.

13 COMMITTEE MEMBER ROBERTI: Very good.

14 COMMITTEE CHAIR JONES: So I think, I think
15 that the consensus is go ahead with the pilot and try to
16 get this done. Right, Senator?

17 COMMITTEE MEMBER ROBERTI: Yes. Absolutely.

18 COMMITTEE CHAIR JONES: Okay. That's your
19 direction.

20 MS. WILLD-WAGNER: Thank you.

21 COMMITTEE CHAIR JONES: Next item.

22 MS. WILLD-WAGNER: Next item on the committee,
23 number 20, committee item number 20 and Board item
24 number 23 is consideration of the scope of work for the
25 2002 used oil recycling forum contract.

1 And Kristin Yee, supervisor in our section,
2 will present that item.

3 MS. YEE: Good afternoon, Chairman and
4 members. I am Kristin Yee, supervisor of the used oil
5 analysis unit.

6 And I'm here to present item number 20 which
7 is consideration of scope of work for the 2002 used oil
8 recycling forum contract, fiscal year 2001-02, oil fund
9 contract concept number 47.

10 This is a statewide conference of used oil
11 program stakeholders that's held annually since 1999.
12 The conference is a two day event, and it's an effort to
13 support local government and non-profit grant managers
14 to implement the used oil and HHW program.

15 These forums have been well attended and
16 received excellent evaluations from the attendees for
17 their information received and the network opportunity
18 provided.

19 Our intention is to rotate this conference in
20 the north and south of California. The last annual
21 conference took place this past January in Sacramento,
22 so we plan to do the next one in Southern California.

23 The scope of work that you have in front of
24 you outlines all the work that must be performed by a
25 hired contractor in order for a organized well-thought

1 conference can take place.

2 This scope of work has been presented to the
3 advisors. And we plan to consider an invitation for bid
4 in hiring a contractor for a total of \$90,000.

5 So what I'm asking and recommending to the
6 committee, that the scope of work, resolution number
7 2002, number 184, be put on consent at the Board meeting
8 on April 16th and 17th.

9 COMMITTEE CHAIR JONES: Are there any
10 questions?

11 COMMITTEE MEMBER MOULTON-PATTERSON: No. I'd
12 like to move Resolution 2002-184, consideration of scope
13 of work for the 2002 used oil recycling forum contract,
14 fiscal year 2001-2002.

15 Did you say this one is going to be held in
16 Southern California?

17 MS. YEE: Yes.

18 COMMITTEE MEMBER MOULTON-PATTERSON: And are
19 they more expensive?

20 MS. YEE: Yes, that's why we've increased it.

21 COMMITTEE MEMBER ROBERTI: Second.

22 COMMITTEE CHAIR JONES: We've got a motion and
23 second. Any objection to substituting the past roll?

24 All right, three 0, and it will go on
25 consent. It will go on consent.

1 MS. YEE: Thank you.

2 COMMITTEE CHAIR JONES: All right. Thank you.

3 Next item.

4 MS. WILLD-WAGNER: Next is committee agenda
5 item number 21, Board agenda item number 24,
6 consideration of the County of Santa Clara as the
7 contractor for the best management practices for
8 electronic waste contract. That was contract concept
9 number 15.

10 Very simply on this, Kristin is handing out a
11 prospective contractor profile for the County of Santa
12 Clara. Last month, in March, the Board approved the
13 scope of work for the best management practices for
14 E-waste, so today's action is only to award the
15 agreement to Santa Clara County.

16 Ms. Sharon Green, who is the hazardous waste
17 program manager, will conduct the electronic waste
18 project. I think she's really uniquely qualified for
19 all the work she's done with us in the past. Also,
20 since most of the deliverables to this contract are
21 toward local government to benefit local government, I
22 think it will be really helpful to have her expertise
23 and the county's expertise.

24 She's also started a product stewardship and
25 electronic waste working group as part of the CRRRA group

1 and the HHW, household hazardous waste information
2 exchanges. So she'd got a lot of background already and
3 research on this.

4 Are there any questions? This is Resolution
5 2002-117.

6 COMMITTEE CHAIR JONES: Has Mr. Papanian been
7 involved and been consulted on this? Is he comfortable
8 with this as the contractor, do you know?

9 MS. WILLD-WAGNER: Yes. Yes, he is.

10 COMMITTEE CHAIR JONES: Okay.

11 COMMITTEE MEMBER MOULTON-PATTERSON: I'd like
12 to move Resolution 2002-117, consideration of the County
13 of Santa Clara as contractor for the best management --

14 MS. WILLD-WAGNER: I'm sorry, I just was
15 reminded by legal that I had to make one change in the
16 resolution.

17 COMMITTEE MEMBER MOULTON-PATTERSON: Oh, okay.

18 MS. WILLD-WAGNER: The resolution left off the
19 dollar amount for the contract in the final amount,
20 "Therefore be it resolved," it should state that,

21 "Approves the contract --" or
22 "Approves the County of Santa Clara
23 to serve as the contractor in the
24 amount of 69,000 for the best
25 management practices for electronic

1 waste."

2 I'm sorry for that interruption.

3 COMMITTEE MEMBER MOULTON-PATTERSON: That's
4 okay. And I'd like to move Resolution 2002-117 with the
5 \$69,000 figure.

6 COMMITTEE MEMBER ROBERTI: Second.

7 COMMITTEE CHAIR JONES: We've got a motion and
8 we have a second. This is money, I think we'll do a
9 roll vote. Stay consistent anyway.

10 COMMITTEE SECRETARY BAKULICH: Moulton-
11 Patterson?

12 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

13 COMMITTEE SECRETARY BAKULICH: Roberti?

14 COMMITTEE MEMBER ROBERTI: Aye.

15 COMMITTEE SECRETARY BAKULICH: Jones?

16 COMMITTEE CHAIR JONES: Aye. Put it on
17 consent for the Board meeting?

18 No objections, put it on consent.

19 Next item.

20 MS. WILLD-WAGNER: Thank you. The final item
21 for the used oil portion of the agenda is committee item
22 22, Board item 25.

23 And Glenn Gallagher will make this
24 presentation on this item.

25 MR. GALLAGHER: Good afternoon committee

1 members. My name is Glenn Gallagher, grant manager in
2 the used oil and household hazardous waste program.

3 I will briefly discuss item 22, full Board
4 agenda item 25.

5 Tulare County Environmental Health Services
6 did not return their used oil block grant fiscal year
7 2001-2002 signed grant agreement within ninety days of
8 mailing. This situation is counter to Board policy
9 established in 2001, July, and is therefore brought to
10 your attention.

11 The signed grant agreement was due to the
12 Board on February 18th of this year. The agreement was
13 signed on February 26th, and received physically on
14 March 4th, 2002.

15 Tulare County requests acceptance of their
16 late grant agreement, and describes extenuating
17 circumstances in a letter sent to the Board.

18 Staff recommends accepting the late grant
19 agreement based on previous good performance by the
20 grantee, the non-competitive nature of the used oil
21 block grant, and previous Board action accepting late
22 grant agreements, most recently by Resolution 2002-42 at
23 the January, 2002 Board meeting.

24 Staff also recommends that the item be moved
25 to the consent calendar.

1 In conclusion, I'll be happy to answer any
2 questions.

3 COMMITTEE CHAIR JONES: Thank you.
4 Questions?

5 COMMITTEE MEMBER ROBERTI: No.

6 COMMITTEE MEMBER ROBERTI: Mr. Chairman, I
7 move Resolution 2002-208.

8 COMMITTEE MEMBER MOULTON-PATTERSON: I'll
9 second that.

10 COMMITTEE CHAIR JONES: All right. We've got
11 a motion and a second. Motion by Senator Roberti,
12 second by Linda Moulton-Patterson.

13 Substitute the past roll. All right?

14 This will go on consent.

15 MS. WILLD-WAGNER: Thank you. And I'll turn
16 it over to Martha.

17 MS. GILDART: Good afternoon, Martha Gildart
18 with the Special Waste Division. And I'm going to make
19 a very brief presentation as part of the Deputy
20 Director's report.

21 I wanted to report on the successful
22 conclusion of the Board's tire recycling conference held
23 down in Indio March 18th, 19th through 21st. We had
24 about 150 attendees. It was done on the site of one of
25 the state's Indian reservations, the Capazon Band of

1 Mission Indians who also have a very extensive tire
2 recycling business there and were very anxious to host
3 this conference.

4 It was done in conjunction with the
5 International Tire and Rubber Association's Western
6 Regional Tire Recycling Conference.

7 Board member Steve Jones was not only a
8 keynote speaker for us, he also filled in for Board
9 Member Eaton's slot who was unable to attend because of
10 illness. And we also had John Garamendi as the other
11 keynote speaker.

12 We felt there were some very interesting
13 presentations made. In fact, one of the items is going
14 to be presented at the full Board. We felt it was
15 appropriate to present it at the Board so that all
16 members could equally hear the presentation. This is
17 the one done by the California State University
18 Sacramento Graduate School of Public Policy on whether
19 or not the Board should consider a subsidy for the tire
20 recycling program.

21 The one other item I wanted to mention was the
22 progress that's being made on the waste tire hauler
23 manifest program. The information management branch of
24 the administration division conducted a two way pilot
25 test where we had tire hauler companies from Northern

1 and Southern California using the draft manifest form
2 and the trip log for two weeks. And we're going to be
3 evaluating the error rate and how much information we
4 get from it. We've already got some insight on further
5 changes to the form to improve it for user
6 friendliness.

7 So those were the two items I wanted to bring
8 to your attention.

9 COMMITTEE CHAIR JONES: I want to congratulate
10 you and your staff. You guys did a great job putting
11 that conference on and it was well attended and a lot of
12 valuable information. Your whole staff deserves the
13 credit.

14 MS. GILDART: Thank you. The first item we're
15 going to be starting with is item number 15 on the
16 committee, number 17 on the Board agenda, and that is
17 the consideration of contractor to investigate
18 increasing the recycled content in new tires contract.

19 Patty Dumont with the waste tire diversion
20 section will be presenting this item.

21 MS. DUMONT: Good afternoon. One small
22 revision to the title and the resolution for this item.
23 The contractor number is IWM-CO138, not 139 as written.

24 This item proposes that the Board approve the
25 selection of a contractor and award of the contract to

1 investigate increasing the recycled content in new
2 tires.

3 The scope of work, which was approved in
4 January, 2002, requires the contractor to conduct a
5 literature review, perform a cost benefit analysis,
6 identify and address the barriers to increasing recycled
7 content in new tires, and develop skills to work for
8 future projects to be conducted in fiscal years
9 2003-'04, and 2004-'05.

10 Contract staff received three proposals by the
11 March 15th, 2002 deadline, and reviewed each to
12 determine compliance with the request for proposals.
13 Proposals not meeting the request were disqualified.
14 None were disqualified for this contract.

15 A three member panel reviewed and scored all
16 of the proposals. At this time the name of the
17 successful proposer is unknown. I will have that
18 information at the April Board meeting.

19 The Notice of Intent to award this contract
20 will be posted on Tuesday, April 9th.

21 The Board options are:

22 Number one, adopt Resolution 2002-158
23 approving the contractor for the contract to investigate
24 increasing recycled content in new tires;

25 Or disapprove the award of the contractor for

1 the contract to investigate increasing the recycled
2 content in new tires, and direct staff to return at a
3 later date for further consideration.

4 Staff recommends the Board approve option one,
5 approval of the contractor for the contract to
6 investigate increasing the recycled content in new
7 tires, and adoption of Resolution number 2002-158.

8 COMMITTEE CHAIR JONES: Could you tell us why
9 we don't know who the contractor is? This same issue
10 came up in P&E and we're going to try to stay
11 consistent.

12 MS. DUMONT: It was some timing. This
13 contract, the proposals came in at a later date, and we
14 just completed finished completed the scoring of them
15 Friday, and so we just received the information late
16 today, and so contract staff will be posting the Intent
17 to Award tomorrow.

18 COMMITTEE CHAIR JONES: All right. And you've
19 got to go through admin and all that to make sure?

20 MS. DUMONT: Right.

21 COMMITTEE CHAIR JONES: What we did, Madam
22 Chair, in P&E is we approved the concept but not the
23 resolution.

24 COMMITTEE MEMBER MOULTON-PATTERSON: Yeah.

25 COMMITTEE CHAIR JONES: So that we could at

1 least give a recommendation to the Board that this went
2 along with what we wanted.

3 Is that pretty accurate, Senator?

4 COMMITTEE MEMBER ROBERTI: Yes.

5 MS. DUMONT: We will have the same issue with
6 committee agenda number 17, Board agenda item 19.

7 COMMITTEE CHAIR JONES: Okay. All right. Any
8 questions?

9 What's the dollar amount? That's not been
10 disclosed?

11 MS. DUMONT: In that contract it's 200,000 for
12 fiscal year 2001-2002, and 100,000 for the next fiscal
13 year.

14 COMMITTEE CHAIR JONES: And I'm assuming that
15 the contract may be that or less?

16 MS. DUMONT: I won't know that until we post
17 the information.

18 COMMITTEE CHAIR JONES: May be that or less.
19 Okay. That's fine.

20 If it's okay, I want to recommend that this go
21 to the Board, and based on the identification, based on
22 who, the identification and the dollar amount, we'll
23 vote on it at the Board, so we're going to need a
24 presentation. But we recommend that it go forward.

25 Is that correct? So it's a three 0

1 recommendation, but you're going to have to do all your
2 work that day, sorry.

3 All right.

4 MS. DUMONT: Next item I'm presenting is item
5 number 16 on the committee agenda, full agenda item
6 number 18.

7 It is consideration of a contractor for a
8 market assessment for a market assessment of markets for
9 the fiber and steel by-products from recycling waste
10 tires contract from the tire recycling management fund,
11 fiscal year 2001-2002, contract number IWM-CO144.

12 This item proposes that the Board approve the
13 award of the contract to CalRecovery, Incorporated for a
14 market assessment of markets for the fiber and steel
15 by-products from recycling waste tires.

16 The contractor will be required to conduct the
17 supply and demand analysis -- excuse me, perform a cost
18 benefit analysis of the markets for fiber and steel
19 by-products from waste tires;

20 Identify and address the barriers to recycling
21 these materials by conducting a literature review and a
22 survey of waste tire recyclers;

23 And finally, identify potential markets in
24 California and determine if there are markets in other
25 parts of the United States and internationally for these

1 products.

2 Contract staff received four proposals by the
3 March 13th, 2002 deadline for each to determine
4 compliance with the requested proposal format.
5 Proposals not meeting requirements were disqualified,
6 however no proposals were disqualified from this
7 process. A three member panel reviewed and scored the
8 proposals.

9 Board options are:

10 One, adopt Resolution 2002-159 approving the
11 contractor for the contract to assess markets for fiber
12 and steel by-products from recycling waste tires;

13 Or disapprove the award of the contractor for
14 the contract to assess markets for fiber and steel
15 by-products from recycling waste tires, and to direct
16 staff to return at a later date for further
17 consideration.

18 Of the total funds budgeted for contracts
19 under the five year plan, 100,000 has been designated
20 for this research contract.

21 COMMITTEE CHAIR JONES: Any questions by the
22 Board?

23 The barriers are going to also include what
24 the material needs to be, what kind of form it needs to
25 be in?

1 MS. DUMONT: Yes, it's very, very detailed.

2 COMMITTEE CHAIR JONES: No problem. Do I hear
3 a motion?

4 COMMITTEE MEMBER MOULTON-PATTERSON: I'll
5 move -- oh, go ahead, Senator.

6 COMMITTEE MEMBER ROBERTI: No, it's okay.

7 COMMITTEE MEMBER MOULTON-PATTERSON: I'll move
8 Resolution 2002-159, consideration of contractor for
9 market assessment and markets for the fiber and steel
10 by-products from recycling waste tire contract.

11 COMMITTEE MEMBER ROBERTI: I'll second.

12 COMMITTEE CHAIR JONES: Thanks, Madam Chair.
13 We have a second by Senator Roberti.

14 This is a dollar contract, please call the
15 roll.

16 COMMITTEE SECRETARY BAKULICH: Moulton-
17 Patterson?

18 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

19 COMMITTEE SECRETARY BAKULICH: Roberti?

20 COMMITTEE MEMBER ROBERTI: Aye.

21 COMMITTEE SECRETARY BAKULICH: Jones?

22 COMMITTEE CHAIR JONES: Aye.

23 Can we put it on the consent calendar? Okay.

24 On consent?

25 Thank you. Next item.

1 MS. DUMONT: Next item. I'm presenting item
2 number 17 on the committee agenda, full agenda item
3 number 19, consideration of contractor to investigate
4 increasing the life span of tires contract from the tire
5 recycling management fund, fiscal year 2001-'02,
6 contract number IWM-CO139.

7 This item proposes that the Board approve the
8 selection of the contractor and award of the contract to
9 investigate increasing the life span of tires.

10 The scope of work, which was approved in
11 December, 2001, requires the contractor to conduct a
12 literature review;

13 To perform a cost benefit analysis;

14 And identify and address the barriers to
15 increasing the life span of tires.

16 Contract staff received four proposals by the
17 March 28th, 2002 deadline, and reviewed each to
18 determine compliance with the requested proposal format.
19 The proposals not meeting requirements were
20 disqualified.

21 None were disqualified. A three member panel
22 reviewed and scored the proposals. At this time the
23 name of the successful proposer is unknown, I will have
24 that information at the April Board meeting.

25 The Notice of Intent to award this contract

1 will be posted on Tuesday, April 9th.

2 Board options are:

3 Adopt Resolution 2002-157 approving the
4 contractor for the contract to investigate increasing
5 the life span of tires;

6 Or disapprove the award of the contractor for
7 the contract to investigate increasing the life span of
8 tires, and direct staff to return at a later date for
9 further consideration.

10 Staff recommends the Board approve option one,
11 approval of the contractor for the contract to
12 investigate increasing the life span of tires, and
13 adoption of Resolution number 2002-157.

14 Of the total funds budgeted for contracts in
15 the five year plan, \$200,000 have been designated for
16 this research contract.

17 COMMITTEE CHAIR JONES: Yeah. We're going to
18 recommend that it comes forward to the Board once the
19 operator or contractor and the dollar amount has been
20 identified. But we will recommend that it go forward to
21 the Board.

22 MS. DUMONT: Thank you.

23 COMMITTEE CHAIR JONES: But we're going to
24 have to hear the whole item.

25 Next.

1 MS. GILDART: The next item is Board agenda
2 item 20, it's committee item number 18.

3 This will be the consideration of the scope of
4 work for interagency agreement with the California
5 Highway Patrol to conduct an enhanced enforcement,
6 aerial surveillance waste tire compliance program. This
7 is from the waste tire recycling management fund for
8 fiscal year 2001-2002, and 2002-2003.

9 As you remember, the Board has had such a
10 contract with the California Highway Patrol in the past,
11 it was funded out of two separate fiscal years. They
12 initially did a training video for CHP officers to
13 conduct pullovers of trucks hauling tires to check on
14 manifests and just educate them on our tire program in
15 general.

16 The second phase of the contract was to
17 include the aerial surveillance where they photographed
18 piles of tires which our staff then were able to
19 identify and go and inspect to see if they were legal or
20 illegal. And several piles have been cleaned up through
21 that mechanism.

22 Staff is recommending that we continue this
23 activity and, indeed, it was included in the five year
24 plan. There were funding set aside for this current
25 fiscal year of \$200,000, and for next fiscal year of

1 \$400,000.

2 This is going to be a combined scope of work
3 for this aerial surveillance and load check programs.
4 More specifically, the work to be performed by the
5 California Highway Patrol will be conduct load check
6 compliance at selected landfills and transfer stations;
7 throughout the state;

8 Conduct waste tire hauler vehicle stops of
9 incoming and outgoing loads at major waste tire
10 processing facilities;

11 Assist Board staff in surveillance activities
12 involving waste tire haulers with a history of
13 non-compliance;

14 Conduct increased road patrols in areas
15 identified as having a high incidence of illegal waste
16 tire hauling and dumping;

17 And conduct aerial surveillance and photograph
18 alleged illegal tire sites in areas identified as having
19 a high incidence of waste tire dumping;

20 And lastly, re-identify through aerial
21 photographs and other data those sites which were
22 previously referred to the Waste Board but which the
23 Board has been unable to identify.

24 That last is sort of an add-on. Out of some
25 of the photographs that were given to us from the

1 previous contract there was insufficient information to
2 allow us to locate them. So we're hoping they can help
3 us followup on those.

4 This is a combined item. It is approval of
5 the scope of work and award of the contract as there is
6 actually no one else that can do what the CHP does but
7 the CHP, so we thought it made sense.

8 COMMITTEE MEMBER MOULTON-PATTERSON: It
9 definitely does, they do a good job for us.

10 But we can't vote?

11 COMMITTEE CHAIR JONES: Yes, we can. The
12 Senator is going to come back in, he's just making a
13 phone call, so we'll leave it open if you want to make a
14 motion?

15 COMMITTEE MEMBER MOULTON-PATTERSON: Yeah, I'd
16 like to move Resolution 2002-170, and do we have to do
17 them separately or --

18 MS. GILDART: No, it's one item, that's why
19 it's only one resolution, one action.

20 COMMITTEE MEMBER MOULTON-PATTERSON: I see.
21 Great.

22 COMMITTEE CHAIR JONES: And I'll second.

23 MS. GILDART: And we'll vote later.

24 COMMITTEE CHAIR JONES: Well we'll vote now,
25 and we'll leave it open for when the Senator comes back.

1 COMMITTEE MEMBER MOULTON-PATTERSON: Wasn't
2 that the last item?

3 COMMITTEE CHAIR JONES: No, we have one more.

4 COMMITTEE MEMBER MOULTON-PATTERSON: Oh, okay.
5 Sorry.

6 COMMITTEE CHAIR JONES: We've got a motion by
7 Chairman Patterson and a second by Jones on Resolution
8 2002-170.

9 Call the roll, please?

10 COMMITTEE SECRETARY BAKULICH: Moulton-
11 Patterson?

12 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

13 COMMITTEE SECRETARY BAKULICH: Jones?

14 COMMITTEE CHAIR JONES: Aye. Go ahead and
15 leave it open until the Senator comes back.

16 And then item number 21.

17 MS. GILDART: Okay. Board item number 21,
18 committee item number 19 is consideration of the grant
19 awards for the local government waste tire cleanup grant
20 program for fiscal year 2001-2002.

21 This item was originally acted on by the Board
22 as the approval of criteria in February in 2001, and
23 then two grants were awarded in the first cycle which
24 was in August of 2001. Those two grants totaled
25 \$36,949.

1 This specific program is directed at local
2 governments to conduct cleanups of tire piles in their
3 jurisdictions. There were questions raised before the
4 break that I'm going to try and answer in general, and
5 then Bob Fujii, who presents the details of the item,
6 he'll go over some of the specifics.

7 The local government cleanups have
8 historically cost more than the Board sponsored
9 cleanups --

10 COMMITTEE CHAIR JONES: Martha, just a little
11 bit of direction. Because Mr. Eaton's issues were, you
12 know, were real, I mean we've got some cleanups here
13 that are like 15 bucks a tire, 12 bucks a tire, whatever
14 it was; could you get us the detail, and rather than
15 waste, you know, time now, bring this item back to the
16 full Board with a little bit more detail? That would
17 take care of a few of the issues.

18 Does that work for you, Madam Chair?

19 COMMITTEE MEMBER MOULTON-PATTERSON: Yes, it
20 does.

21 COMMITTEE CHAIR JONES: And that way, you
22 know, it's not causing -- I mean, you know, you don't
23 have to do it twice, because we're not going to get
24 resolution on it.

25 But I think we do need some more detail on the

1 cost, and then one of the issues he talked about were
2 those items that were, are those tires that are being
3 directed to landfill. There's a reason for that, and he
4 understands that. If they're dirty, buried, whatever,
5 they're not appropriate for end use, and that's fine,
6 just let us know that.

7 MS. GILDART: Can I ask a question on that?

8 COMMITTEE CHAIR JONES: Sure.

9 MS. GILDART: I thought his question was
10 generally whether or not these grants were going to take
11 them to recycle or landfill, and in attachment two it
12 does describe.

13 You're telling me, it sounds a little
14 different, he wanted to know of those that are listed --

15 COMMITTEE CHAIR JONES: No, you're right, what
16 Danny had talked about. He wants to know, you know,
17 where these things are going.

18 MS. GILDART: And that is listed in the
19 attachment, but we'll be happy to make it part of the
20 oral presentation.

21 COMMITTEE CHAIR JONES: Make it part of the
22 presentation. We are going to have to wait. Hey,
23 Rick.

24 MR. DUNNE: I'll get him.

25 COMMITTEE CHAIR JONES: Thank you. Are there

1 any -- while we're waiting for the Senator, are there
2 any members of the public that want to speak on an issue
3 that wasn't part of the agenda?

4 I don't see anybody from the public but I just
5 thought I'd ask.

6 The Senator is going to come in here. Is
7 there any other business?

8 MS. GILDART: That's it.

9 COMMITTEE CHAIR JONES: Senator, we had, the
10 one agenda item did not have a contractor identified, we
11 told 'em just bring that to the Board.

12 This we did have the item on the CHP where we
13 have a two 0 vote to enter into a two year contract for
14 \$600,000, so we left the roll open for you.

15 COMMITTEE MEMBER ROBERTI: Right.

16 COMMITTEE CHAIR JONES: And would you like us
17 to spend six hundred grand with the CHP for a couple of
18 years to take pictures and do enforcement?

19 COMMITTEE MEMBER ROBERTI: Yes. Yes.

20 COMMITTEE CHAIR JONES: Good. And are we okay
21 with putting that on consent?

22 COMMITTEE MEMBER ROBERTI: If we can, it's a
23 money item, can we do that?

24 COMMITTEE CHAIR JONES: Yeah. As long as
25 you -- go ahead and take the Senator's vote.

1 BOARD SECRETARY BAKULICH: Roberti?

2 COMMITTEE MEMBER ROBERTI: Aye.

3 COMMITTEE CHAIR JONES: Okay. We will propose
4 this for the consent calendar.

5 And nobody has anything else.

6 Thank you all very much. First day went
7 pretty good, we appreciate it.

8 All right.

9 (Thereupon the foregoing was concluded
10 at 5:12 p.m.)

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1 CERTIFICATE OF CERTIFIED SHORTHAND REPORTER

2

3 I, DORIS M. BAILEY, a Certified Shorthand
4 Reporter and Registered Professional Reporter, in and
5 for the State of California, do hereby certify that I am
6 a disinterested person herein; that I reported the
7 foregoing proceedings in shorthand writing; and
8 thereafter caused my shorthand writing to be transcribed
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10 I further certify that I am not of counsel or
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14 IN WITNESS WHEREOF, I have hereunto set my hand
15 as a Certified Shorthand Reporter and Registered
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